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# The Indian ANNUAL REGISTER 1922

BEING AN ANNUAL CHRONICLE AND DIGEST OF PUBLIC  
AFFAIRS OF INDIA IN MATTERS POLITICAL  
EDUCATIONAL, ECONOMIC, ETC.

EDITED BY  
H. N. MITRA, M.A., B.L.

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Vol. II  
India in 1922-23



## PREFACE

This volume of the INDIAN ANNUAL REGISTER not only completes the last issue but, owing to the great delay in its publication, it has also been brought up to date, *i.e.*, to the close of the last year, in those subjects alone which were altogether left out in the first volume and are now incorporated here. These are:—

India in Parliament

India in the Dominions & Abroad

India in Imperial & International Conferences

Proceedings of the Indian Legislature, and

Reports, Official and Non-Official, issued during the period.

The section *India in Parliament* chronicles all the important debates and interpellations in the House of Commons and House of Lords on Indian affairs from January 1921 to August 1922 when the late Premier made that memorable reactionary speech on the conflicting aspirations of Indians and I.C.S. men, and after which the Llyod Georgian Ministry came to an abrupt end. The longer debates of the House of Lords, though very few in number, have not generally been given in extenso owing to their comparative unimportance. The affairs of India in the new House under Mr. Bonar Law's ministry have been left for the next issue of the Register.

The section *India in the Dominions & Abroad* has been very thoroughly and elaborately treated in the previous two issues of the Register and there remains comparatively little to add to what has already appeared. The outstanding feature in the public agitation on India's status within the Empire in the last two years has been Kenya which has consequently taken a much larger space in this volume. Details of the last memorable Imperial Conference, of which so much was made of in 1921 by Mr. Sastri and others in India, have been given, but the part played by India in the Washington Conference, which was attended by Mr. Sastri as the Indian delegate, still remains obscure and finds no mention in this volume as no materials are available.

The Proceedings of the new Imperial Legislature from the very beginning of the reforms regime down to the close of 1922 have been recorded in the form of a digest. The inaugural addresses of H. R. H. the Duke of Connaught who ushered in the new Councils have already been given in Vol. I. Public movements in India, of which the Council proceedings are in a way a reflex, and which follow from them, are partly given in Volume I, for affairs up to March 1922, and the rest is reserved for the next issue of the Register, for affairs subsequent to March 1922.



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# India in Parliament 1921-22



# Chronicle of Events

## India in Parliament & Abroad 1921

### January 1921

In England the Press was very active on Indian affairs, especially on the change of Viceroyalty and on the Nagpur Congress proceedings.

**4th.** Violent agitation in England led by the *Morning Post* and the *Daily Telegraph* to enforce repression in India in reply to the Nagpur Congress Resolutions. The *Post* led an agitation against the suggestion of Lord Reading as Viceroy recalling his connection with the notorious Marconi deal, and said that the I.C.S would revolt at such a standard of honesty. Tory papers followed suit.

**8th.** Sir Michael O'Dwyer started a campaign in the British Press for immediate repression in India and a personal vendetta against Messrs Gandhi, Lajpat Rai, Ali Brothers and Chintamani. The *Globe* and the *Telegraph* opened their columns to Anglo-Indian pensioners of India who demanded all round repression in India.

**9th.** Appointment of Lord Reading as Viceroy of India announced.

**25th.** The Prince of Wales unveiling a war memorial to the Indian Dead at Brighton said that they had given their lives in a quarrel of which it was enough for them to know that the enemy were the foes of their *Sahibs* and their King-Emperor !

### February 1921

**15th.** Parliament opened by the King in State. In the Commons Mr. Davidson M. P. in moving an address in reply to the King's Speech said that the House shared His Majesty's hope that the new Reforms inaugurated by the Duke of Connaught would bring political peace to India. Similar references in the Lords.

**17th.** Tory Papers in England under the lead of the *Morning Post* denounced the appointment of Lala Harkishen Lal as a Minister.

**23rd.** In the H. of Coms. Mr. Montagu was exasperatingly heckled by several M. P.'s on the question of appointment of Lala Harkishen Lal, who was maliciously described as a rebel and a convict, as a Minister in the Punjab Govt. The Speaker had to intervene and to stop further questions.



Questions were also asked on the reduction of the British element in the Indian Army and expression was given to the fear that British strength was being dangerously reduced in India which was in the throes of a revolution.

24th. In the H. of Commons the anti-Indian die-hards led by Viscount Curzon initiated a heated discussion over the Speaker's ruling of the last day *re* Lala Harkishen Lal's Case.

## March 1921

1st. In the H. of Commons a point of order was raised on the question whether members of Parliament could not criticise the action of Indian Officers, such as Lala Harkishen Lal, in the House. The Speaker gave his ruling that members should not interfere in the case of the administration of Transferred Subjects in India.

2nd. In the H. of Commons questions were asked regarding the pay and pension of the I. C. S. and regarding their protection from the alleged hostile action of the new Indian Ministers and their Councils.

Before a meeting of Parliamentarians under the Duke of Northumberland a bogus report was presented which included a reference by the O'Dwyer gang to an Indian Society which was alleged to be promoting murder and rebellion in India!

In the H. of Lords Lord Sydenham gave an alarmist view of the Army reductions in India which if carried out, he said, would spell disaster to the Empire!

3rd. Lord Reading, entertained to Dinner by the Royal Colonial Institute with Mr. Montagu as president, said in reference to his new appointment as Viceroy: 'It was a great idea to ask him who sat in the mighty seat of British Justice to go to India for the reason that he represented Justice in Great Britain.'

Oxford University Union after a full dress debate passed by 88 votes to 76: 'That this House would welcome the immediate grant of the status of self-governing Dominion to India.'

5th. Manchester Chamber of Commerce sent representation to Mr. Montagu condemning cotton import duties in India.

8th. In the H. of Lords, Lord Lytton moved the Second Reading of the Govt. of Burma Bill which was postponed on Lord Amptill's motion that the matter was premature. Lord Sydenham raised the question of Parliament's power to review the administration of Transferred Subjects in India and elicited an assurance from Lord Lytton, the Under Secretary, that they could.



10th. The *Morning Post* announced the formation of the India Emergency Committee composed of O'Dwyer, Dyer, Joynson-Hicks, Lords Sydenham & Amptill and other Die-hards, ostensibly to circulate informations about India but really to do anti-Indian propaganda work.

11th. Mr. Montagu received at the India Office the Indian Moslem Delegation to the Near East Conference.

12th. Lord Reading entertained at a farewell luncheon at Savoy Hotel by Indians in London. The Aga Khan presided. Lord Reading declared that he was going to India determined to do his utmost and believing that Indians would try at the outset to give faith to him until they found that he was undeserving of it.

Mr. Llyod George received at Downing Street the Indian Moslem Delegation who urged modification of the Treaty of Sevres.

17th. India Emergency Committee held a large inauguration meeting under Lord Amptill in Cannon Street Hotel to denounce Mr. Montagu and his Reforms in India.

23rd. Influential deputation of Lancashire M.P.'s and Cotton magnates waited upon Mr. Montagu to protest against Indian cotton duties and tried to influence him against fiscal autonomy being granted to India. Mr. Montagu declined to interfere.

## April 1921

8th. Mr. Montagu replying to a deputation of pensioned officers of the uncovenanted service asking for an increase of pension said that he had gone a long way already but promised to reconsider.

12th. In the Commons the question of Kenya Indians was raised in interpellation when Col. Wedgwood declared that the Colonial Office was antagonistic to the Indian claim of equality in Kenya. Lord Winterton declared that the whole black population of Kenya was against giving further rights to Indians.

20th. Lord Lytton in the H. of Lords announced that the Burma Reform question had been left to the Joint Committee for report.

22nd. Sir Edward Grigg gave a lecture at the Royal Society of Arts on the "Common Services of British and Indian people to the world" and said that the time was not yet ripe when Indian unity and security could be maintained without the moral fibre of the British. Lord Chelmsford said that his experience of the Reformed Legislatures had been wonderful and he was confident that this great adventure was going to be a wonderful success.

29th. Mr. Montagu wrote to Mr. Chotani of the Khilafat Deputation expressing appreciation of its services and made a long statement of British policy towards the Turks.



May 1921

**3rd.** Nairobi Round Table Conference between members of the Indian community and the European Convention was opened under Governor Sir Edward Northey to arrive at a settlement on the claim of equality put forward by the Indian settlers.

**4th.** Lord Sydenham in the H. of Lords called attention to the dire peril to British Rule in India owing to reductions in the Indian Army. A long debate followed in which Lords Chelmsford and Lytton spoke against the motion which was withdrawn.

Nairobi Round Table Conference ended in a fiasco.

**11th.** At the annual dinner of the Newspaper Society of England, Field Marshall Wilson declared that India was a 'specifically British possession' which must be retained as such by force of arms.

**13th.** Mr. Montagu appointed a committee under Lord Lytton to report on the Indian Students question in the United Kingdom.

**24th.** In reply to Colonel Wedgwood in the H. of Commons Mr. Montagu gave the amounts of large pensions that Sir Michael O'Dwyer, General Dyer and Mr. Smith still draw from India.

**25th.** Mr. Srinivasa Sastry delivered an address on the "present political situation in India" at the Indian Students' Hostel and was fusilladed by interruptions and cries from the Indian students as he spoke against non-co-operation and supported Govt. action.

**31st.** In the H. of Commons Viscount Curzon put in an interpellation regarding Gandhi, using the insulting epithet "an individual called Gandhi" in this connection.

Debate in the H. of Lords raised by Lord Montagu of Beaulieu on defending the N. W. Frontier in India and preserving "our damaged prestige in our Eastern Empire." Lords Sydenham, Chelmsford, and Lytton made long speeches.

June 1921

**1st.** Parliamentary Joint Committee recommended the Govt of India Act to be extended to Burma at once.

**7th.** In the H. of Commons Mr. Montagu was heckled by questions *re* Gandhi-Reading interview. Col. Yate again raised the question of reduction in the Indian Army.

**8th.** Burma Reforms Bill as drafted by the Joint Committee came up before the Lords for the second reading and passed.

**14th.** Sir Frederick Hall suggested in the H. of Commons deportation of Mr. Andrews, whom he described as "the so-called gentleman", in connection with his activities *re* Chandpur Gurkha outrage.



20th. Imperial Conference of Premiers of British Empire opened at London by Mr. Lloyd George who referred to India in glowing terms and invited her representatives, the Maharao of Cutch and Mr. Srinivasa Sastri, to participate in the discussions on equal terms.

21st. Mr. Sastri addressed the Imperial Conference on behalf of India and put forth the plea of equality of status for Indians.

24th. At the Empire Parliamentary Dinner Lord Birkenhead announced that he had arranged to send a Parliamentary Delegation to greet the new Legislatures of India.

28th. Burma Reforms Bill passed by the Lords.

### July 1921

7th. Debate in the H. of Lords on Indian unrest raised by Lord Sydenham who asked what steps Govt. was taking to protect lives and properties of Europeans. Lord Lytton made a long statement.

At a meeting of the Imperial Conference the status of Indians in the Dominions and Colonies was discussed fully. The Maharao of Cutch opened the discussion and Mr. Sastri took a leading part.

12th. Mr. Waddington asked in the House of Commons about the huge profits which he alleged the Indian Cotton Mills have earned ; he wanted to deprecate the new imposition of Indian Cotton Duties.

In the H. of Commons Mr. Montagu was heckled by the Diehards about the Indian Service Men and their dissatisfaction with the Montagu Reforms. Mr. Montagu promised to issue a communique on the subject shortly.

18th. Mr. Montagu in reply to enquiries made a statement in the H. of Commons regarding the Madras strikes which followed from the Buckingham and Karnatic Mills lock-out.

Col. Hurst drew attention in the H. of Commons to the huge loss sustained by India by the exchange muddle of 1920. Mr. Montagu made a statement on the sale of reverse councils.

19th. In reply to a question Mr. Montagu gave an account in the H. of Commons of the late Aligarh Riot of 1921.

27th. The Maharao of Kutch and Mr. Sastri were presented with the Freedom of London at Guildhall at a brilliant gathering : and entertained to a luncheon : he Mansion House with the Lord Mayor in the Chair. Mr. Sastri made very eloquent speeches in his best style.

### August 1921

1st. A committee of Leading Manufacturers in England sent circular to M. P's. with a view to rally them in opposition to the



Indian custom duties and declared that Mr. Montagu was responsible from first to last for the tariff difficulties between England and India.

Tilak Anniversary Day held in London at Woburn Place with Mr. M. H. Kidwai in the Chair, and also to celebrate the inauguration of N.C.O in India.

2nd. Protest against Jt. Parliamentary Com. recommendations on Kenya Indians issued over the names of Lord Sydenham, Sir C. Townshend, and Sir Joynson-Hicks saying: "we cannot imagine that any British Govt. would give them equal franchise with the White men and in fact by so doing convert the Indian Colony into a British Dependency."

5th. Imperial Conference Resolution on the status of Indians in the Dominions and other parts of the Empire was issued officially and published in the Press.

Genl. Smuts opined to a Press correspondent that Indians should emigrate to Mesopotamia rather than to South Africa.

A European mass meeting at Nairobi passed strong resolutions against giving any civic rights to Indians in Kenya.

9th. Col. Hurst in the H. of Commons enquired why the reverse councils were sold privately during the last exchange muddle. Mr. Montagu explained the position.

Colonial Secretary received a private informal deputation of East Africa Indians consisting of Messrs. Jeevanjee and Varma of Kenya and Messrs. P. Thakurdas and Ramechandra Rao of India. Mr. Churchill declined to hear Mr. Jeevanjee in detail. Immediately after this Mr. Churchill interviewed the European deputation.

13th. Imperial Ind. Citizenship Assoc. wired to the Sec. of State and Govt. of India the frantic anti-Indian campaign started by the Kenya Europeans to force the hands of the Govt. to assign an inferior status to Indians.

17th. At a Savoy Hotel Luncheon Mr. Chotani said that he and his colleagues of the Khilafat Deputation were returning to India completely disappointed. They found that the Germans were not the only Europeans who treated treaties as scraps of paper.

18th. Mr. Montagu in reply to a question in the H. of Commons made a long statement on the military operations in the N. W. Frontier against the Waziris.

19th. Lancashire Deputation waited upon Lancashire M. P's. over the Indian Cotton Duties. Mr. Montagu who was present regretted that his arguments addressed to them months ago had not made an impression.



The Lytton Students Enquiry committee boycotted by the majority of London Indian students.

## September 1921

5th. League of Nation's Assembly met at Geneva and was attended by the Maharao of Cutch and the Right Hon. Srinivasa Sastri as Indian Delegates.

20th. Foreign Office, United Kingdom, addressed protest to the Soviet Govt. alleging revolutionary intrigues against British interest in Asia, particularly helping Indian revolutionaries, in contravention of the Anglo-Soviet Commercial Treaty.

## October 1921

4th. Mr. Montagu wrote to Lord Lytton intimating the Indian Assembly's refusal to vote the grant on the students enquiry Committee.

6th. Lord Lytton as President of the students enquiry committee replied to Mr. Montagu giving an account of the work already done by his committee.

8th. Litvinoff of the Soviet Foreign Office in reply to British note of 20th. September denied all the charges categorically and complained of unfriendly attitude of the British.

10th. Sir Edward Northey, Kenya Governor, in opening the Kenya Council appealed to parties for truce on the Indian question.

17th. Governor of Kenya announced *interim* arrangement to nominate one Indian to the Executive Council and four to the Legislative Council.

25th. In reply to several questions in the H. of Commons Mr Montagu made a statement of the trouble arising from the Moplah Rebellion, promising to give fuller details later.

Lord Sydenham raised a debate in the H. of Lords on the political situation in India. Lord Curzon made a long reply deprecating the attitude of Sydenham in raising the question just on the eve of the Prince of Wales' departure for India. A long debate ensued in which Lords Ampthill, Middleton, Chelmsford, Lytton and others took part.

The International Labour Conference of the League of Nations opened at Geneva under Lord Burnham as president.

26th. In the International Labour Conference Mr. Joshi, the Indian Labour delegate, spoke in support of a proposition to limit



the work of agricultural labourers and to protect them like industrial labourers.

### November 1921

**1st.** In the H. of Commons Sir Charles Yate enquired the reasons for the repeal of the Indian Press Act and Repressive Acts. Mr. Montagu made a long statement on the subject. A day was demanded by the Die-hards for the discussion of Indian Unrest ; this was refused by the Leader of the House.

**3rd.** At the International Labour Conf. Mr. Joshi urged the necessity for tackling the question of primary education and literacy of wage-earners in all countries.

**8th.** In the H. of Commons Sir C. Yate put a question regarding Trade Unions in India which he described merely as "Strike Committees" and therefore unlawful. In reply to further questions Mr. Montagu promised to supply further informations on the Moplah outbreak.

**9th.** Sir C. Yate asked in the H. of Commons whether Govt. servants in India were wearing Gandhi-caps and thus openly flouting Govt. Mr. Montagu in reply said that some of the Provincial Governments have taken steps in the matter.

In regard to a demand of the Die-hards for a day to discuss the affairs of India the Leader of the House refused to comply.

In the International Labour Conference Mr. Joshi, the Indian labour delegate, speaking on the Secretary General's report asked for an explanation as to how different nationalities are represented on the staff of its office and why agency offices are not opened in Asiatic countries.

### December 1921

**14th.** Kenya Indian leaders summoned to trial for refusing to pay income tax following the passive resistance movement. Defence was that the tax was illegal being imposed without the peoples' consent.

**15th.** In the Commons Col. Wedgwood enquired *re* the treatment of Indian leaders sent to jail. Mr. Montagu gave an evasive reply.

**20th.** In reply to Mr. Ben Spoor in the Commons Mr. Montagu declared that there was nothing in India which should be described as repression. It was merely keeping law and order.

**21st.** Genl. Smuts addressing the Natal S. A. Congress counselled Indians to avoid trying for settlement of the Indian question which might do them no good and might do the Empire harm, and advised them to be repatriated to India.



## India in Parliament &amp; Abroad 1922

## January 1922

12th. Sir M. O'Dwyer once more hit out his jeremiads about India at the Overseas Club meeting where he pompously spoke on "Our Imperial Responsibilities in India" which was to save the Indian masses from the so-called intelligentsia !

27th. Speaking at the East African Dinner in London Mr. Churchill made a notorious reactionary pronouncement, denying that democratic institutions can grow in Eastern countries and emphasising that Kenya was characteristically a White colony.

## February 1922

2nd. Lord Birkenhead, Lord Chancellor, in the course of a speech said about 'formidable movements' in India: 'it is not inconceivable that we may have once again to prove that the British Empire retains the hard fibre which brought it that Empire.'

7th. Parliament opened by the King. In the debate on the address Genl. Page Croft said that Govt. must make it clear that they intended to rule India. Lord Curzon referred to India as 'that great Dependency' and threatened whole-sale repression to check the Indian unrest.

9th. Mr. Montagu speaking at the 1920 liberal club threatened further repression in India but contested Mr. Churchill's dictum that democracy was impossible in India and his anti-Indian foreign policy as regards the status of Indians Abroad.

10th. Sir Joynson-Hicks' motion of censure on Mr. Montagu drew forth a very lively debate in the Commons during which the die-hard party indulged in an inferno of abuse of Montagu and India.

21st. Sir M. O'Dwyer addressing a meeting under Sydenham gave a horrifying account of unrest in India; he attributed all trouble to the weakness of the Govt. of India and explained how the rebellion in the Punjab under his regime had been put out by Genl. Dyer in 4 days ! Gandhi, Montagu and the Govt. of India were equally responsible; the former was a dangerous hypocrite whose continued immunity was a menace to public peace.

## March 1922

4th. Mr. Montagu in a speech at Lisbon said that the policy of granting self-Govt. to India would be carried through inspite of difficulties.



9th. Mr. Montagu was suddenly forced to resign. In the Commons this news was received with prolonged cheers and unseemly hilarity by the die-hards and Unionists. Mr. Chamberlain explained that the resignation was due to a breach of cabinet discipline in Mr. Montagu's publishing a Govt. of India telegram on the Turkish question without cabinet authority.

11th. Speaking to his constituents at Cambridge Mr. Montagu exposed the tactics of the Premier and explained that in order to get the support of the conservatives to his tottering ministry, Mr. Lloyd George had presented the Die-hards with his head on a charger. A stormy controversy raged in England on this subject on this and the following days.

13th. In the Commons Mr. Montagu's resignation was the subject of another heated controversy.

14th. Lord Curzon made an impassioned speech in the Lords defending himself against Mr. Montagu's allegations.

17th. In a speech at Thatford Mr. Montagu gave his reply to Lord Curzon's statements in the Lords.

22nd. Replying to Sir C. Yate in the Commons Earl Winterton said that the question of disallowing the repeal of Indian Press Act would be considered when the measure was passed by the Indian assembly.

The *Times* thundered at the Indian Assembly for refusing certain grants and hinted that the Reforms may be withdrawn if such conduct was persisted in.

27th. In the Commons there was a long discussion on the Consolidated Fund Bill when Col. Wedgwood, and Mr. Ben Spoor strongly attacked the repressive policy of Govt. in India. Earl Winterton made his reply.

29th. Deputation of Lancashire M.P.'s waited upon Earl Winterton and made strong representation against Indian Cotton duties.

In the Commons Earl Winterton moved for power to raise £50 millions Indian Loan.

### April 1922

6th. Third reading of the Indian Loan Bill in the Commons passed.

10th. White paper issued on the N-C-O movement.

11th. East India Loan Bill passed in the Lords.

In the Commons Sir C. Yate attempted to obtain a reconsideration of the case of the punished Punjab Officials of 1919. Mr.



Chamberlain replied sympathetically but refused to reopen the question.

**13th.** Indian Loans Act received Royal Assent.

### May 1922

**16th.** Joint Parliamentary Committee met in the Lords to hear and examine Viscount Peel on various Indian matters.

**23rd.** In the Commons replying to Colonel Yate Lord Winterton refused to consider more fully the I. C. S. Pension Rules.

**24th.** In the House of Lords, Lord Sydenham again raised the question of the punished Punjab Officials of 1919 and asked a reprieve. There was a long debate in which Lord Chelmsford made his first Parliamentary speech after retirement from India.

### June 1922

**12th.** Burma Reform Rules passed in the House of Commons after a long debate lasting for five hours during which numerous amendments were proposed but all defeated.

**15th.** India Office Estimates introduced in the House Commons; long debate on the Indian administration followed.

### July 1922

**4th.** In the Commons during the Colonial office estimates debate the Colonial Secretary spoke on Kenya which he said was exclusively being retained for White settlers.

**5th.** New Civil Service Pension Rules issued by the Sec. of State.

**19th.** Second Report of the Parliamentary Joint Committee on Indian affairs issued.

**26th.** Indian Princes in England gave a friendly dinner to Mr. Montagu. Bikaner paid a tribute to Mr Montagu's services to and genuine affection for India.

### August 1922

**2nd.** I.C.S. Debate in the House of Commons. Mr. Llyod George made his notorious 'steel-frame' speech denouncing political movements in India and forecasting more repression.

**4th.** Sir Hamilton Grant addressing the Oxford Liberal League condemned the repressive policy in India.

**8th.** C. P. & Berar Civil Service Association memorialized the Sec. of State against the O'Donnell Circular.



**10th.** Press campaign in England, led by the *Morning Post*, started against the famous O'Donnell circular.

**22nd.** Annual Conference of United Kingdom Textile-workers at Blackpool passed resolution against Indian Textile Duties.

### September 1922

**8th.** Speaking before the British Association at Hull Lord Meston said that Imperial Citizenship should be extended to India at once.

**9th.** A meeting of the Executive Council of Kenya presided over by Sir Robert Coryndon discussed the final term of settlement of Indian question. Common franchise on education test was adopted and a small district in the Highlands was reserved for the Indians.

**19th.** H. H. Jamsaheb of Nawanagar speaking before the League of Nations' Assembly said that the great bulk of Indian population did not consider opium a harmful drug and spoke against the suppression of opium cultivation in India.

**20th.** At the League of Nations' Assembly Sir Sivaswami Iyer attacked General Smuts for the policy adopted by the South African Govt. in administering the mandated territory of the German South West Africa.

On the question of protecting Minorities, the Maharaja of Nawanagar speaking before the League of Nations' Assembly appealed to South African delegates to regularise the position of the Indian minority in South Africa.

**28th.** A Committee of the League of Nations passed resolution on apportioning the League's cost among its various members—India's share being 1,440,000 Gold Francs.

### October 1922

**9th.** The *Morning Post* in a leading article emphasised the pension grievance of the I. C., S. and said that now that Mr. Montagu was gone they looked with some hope to the India office on this matter

**15th.** Report of the Indian Students Committee presided over by Lord Lytton was published.

**16th.** Details of the scheme for the reconstitution of the Indian Army reserve of officers on the lines recommended by the Esher Committee was announced.

**20th.** Mr. Lloyd George and his cabinet resigned. Mr. Bonar Law became the new Premier.

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## India in Parliament 1921.

Early in the year an agitation was carried on in England by the Tory Die-hards of the Sydenham party to discredit the operation of the Montagu reforms in India. The proceedings of the National Congress at Nagpur in 1920, especially its change of creed, were watched with anxiety, and an alarm was raised that India was fast turning bolshevist. The visit of the Duke of Connaught and the progress of the boycott movement that dogged his steps arrested universal attention in England. Sir Michael O'Dwyer and the martial law officers of the Punjab, since disgraced and retired, filled the Tory papers with malicious writings about India and indulged in a personal vendetta against Mr. Montagu and his Indian supporters. All trouble in India was fathered upon Mr. Montagu. Further, the conciliatory mood towards India which till then pervaded the British cabinet irritated these watch-dogs of bureaucratic power beyond measure and when the name of Lord Reading was suggested for the viceroyalty, they almost lost their senses. The Jewish bogey was raised, and it was seriously suggested that British interests in the East was being bartered away to a Jewish clique. Mr. Montagu was a Jew, Sir William Meyer was a Jew, the Commander-in-Chief was a Jew, and then another Jew was to be installed at the Indian Pontificate ! So many Jews together to manage the affairs of India, especially in view of the Jewish gold and intrigue which was running the Russian Soviet, was looked upon with suspicion, and the Greek millionaire who pulled the legs of Mr. Lloyd George from behind the scenes was supposed to have a hand in this matter. Objection was also raised on the score of the well-known Moslem antipathy to the Jew that Lord Reading's appointment would do violence to Moslem feeling in India. In the Parliament itself all these jeremiads could not be carried but Mr. Montagu was continuously heckled in the most unseemly manner by the Tory Die-hards.

### The Opening of Parliament.

Parliament opened on the 15th Feb. In the House of Commons Mr. Davison moving an address to the Throne said amongst other things : "Thanks of the country are due to the Duke of Connaught who on His Majesty's behalf has inaugurated the New Council in India. In undertaking this important task he has once again shown that unselfish devotion to duty of which the beloved Royal Family daily has given evidence. (Cheers.) The House of Commons would



share His Majesty's hope that these changes will bring progress and political peace in their train."

Sir Luke Fildes, seconding, declared that the whole House and the Empire would be delighted if success attended the efforts of the New Councils. He thought it would be well to remember the great services given to India and the Empire in the by-gone days by the body of men remarkable for their earnestness and efficiency, namely, the Indian Civil Service. They had fought pestilence and famine and had done great administrative work with one unselfish idea of doing their best for the great Indian Empire.

Mr. Asquith referring to India said he could only say without any distinction of party that Great Britain had looked with the greatest good-will and most sanguine expectations to the great new adventure there. For himself, and he was sure he was re-echoing everybody's opinion, he thought it of the very greatest advantage to the Empire that the early critical stages of that adventure should be presided over by a man of the sagacity, experience and popular sympathies of Lord Reading.

Mr. Lloyd George in reply to a suggestion for establishing a committee to co-ordinate the Army, Navy and the Air-forces of the Empire, said: When we were in trouble the Empire helped us. Over a million men came from India voluntarily and vast numbers from other parts but that was a spasmodic effort. The solidarity of the Empire was a guarantee against further shedding of blood since the sword would never have been drawn had the planners of the war known what the British Empire would do.

This was no occasion to express any but the sweetest sentiments. Soon however the House had a taste of the die-hard attitude on India as given below.

#### HOUSE OF COMMONS—23 FEBRUARY 1921

##### Lala Harkishan Lal's Case.

Sir W. Davison asked the Sec of State whether he is aware that Mr. Harkishan Lal, who was convicted on a charge of conspiracy to wage war and of abetting the waging of war against the King, was sentenced to transportation for life and forfeiture of property and was subsequently pardoned as an act of clemency, has now been selected by the Governor of the Punjab as one of his two Indian Ministers who will be charged with the administration of public works, education, excise, commerce and industry, local Government, etc.; whether in the discharge of this office he will have control over large numbers of British and Indian officials, and will exercise great patronage with wide financial powers; whether the Sec. of State is aware of the bitter feeling which this appoint-



ment has caused among His Majesty's loyal subjects, both British and Indian ; whether he has personally approved of the appointment of a recently convicted rebel to such a prominent position of trust under the Crown : and what steps he proposes to take in the matter ?

Captain Viscount Curzon asked the Sec. of State for India whether Harkishan Lal, who was committed as a rebel in the rebellion of 1919, has been appointed as a minister in the Punjab ; whether since his release he has continued to take part in rebel agitation ; whether in his new appointment he will have a very large number of loyal subjects of the Crown, both British and Indian, under his jurisdiction ; and whether, as such an appointment is an insult to all loyalists throughout the Empire, it can be reconsidered ?

Mr. Montagu :—Under the Government of India Act Ministers are appointed by the Governors of Governors' provinces, hold office at the pleasure of the Governor, and are responsible to the Legislative Councils who vote their salaries. The Joint Select Committee advised that the Ministers selected by the Governors should be elected members of the Legislative Council enjoying its confidence and capable of leading it. In these circumstances I would submit to the House that the proper place to consider the title of Ministers to the confidence of the Legislature is the Provincial Councils.

Sir W. Davison :—Is the right hon. Gentleman aware, and is it not a fact, that the action of the Governor is subject to the superintendence, direction, and control of the Sec. of State ?

Mr. Montagu : No, that is not quite true. It is subject to the superintendence, direction, and control of the Secretary of State, except—I am quoting from memory—as provided in this Act, and under this Act the question of the appointment of Ministers is laid by Statute on the Governor.

Sir W. Davison : Is the right hon. Gentleman aware that this action of showing favour to rebels is driving many loyal subjects into the hands of the extremists ?

Viscount Curzon : Is it a fact that this man is a convicted rebel, and that he holds jurisdiction over a large number of Europeans ?

Mr. Speaker : That does not seem to be a matter for this Parliament. It is a matter for the Legislative Council.

Viscount Curzon : Will the right hon. Gentleman exercise his influence with the leader of the House to secure the release of the hon. Member for East Leyton (Mr. Malone) ?

Sir W. Davison : Is it not a matter for this House to know whether a man responsible for the Government of India who has been



appointed to high office by the Crown is a convicted rebel? I submit that we are entitled to that information.

Mr. Speaker: The House having given practically Home Rule, or something in the nature of Home Rule, to these Councils the less it interferes with the Councils the better.

Sir H. Craik: Was the nomination made by the Governor of the Punjab without any suggestion from Home or from the Government of India?

Mr. Montagu: Of course it was. The Governor is specially charged by Statute to make his own nominations. I never knew of the appointment until sometime after it was made.

Dr. Murray: Was not General Smuts a rebel at one time?

Sir W. Joynson Hicks: As your ruling, Sir, is important, may I ask if the question of law and order and India was handed over to the Councils, or were not only certain specified subjects handed over to them by this House? Is it not the case that this House retain control of every other subject other than those directly handed over?

Mr. Montagu: May I point out that this gentleman who has given rise to this discussion is a Minister who has charge of those very Transferred Subjects, and that if the Legislature does not think him a man worthy of his confidence it has its remedy, and if the Punjab does not think the Legislature worthy of its confidence it has its remedy.

Sir W. Joynson-Hicks: I was not discussing this case. I was asking as to the things that were reserved.

Mr. Speaker: This is the only case that I am discussing. This is not the time to deal with hypothetical cases. What I said arose entirely out of the answer given by the Sec. of State for India.

Sir H. Craik: Can the system which the Government have instituted in India be described as one of Home Rule? On the contrary, is it not a system which is described by the new-fangled word "diarchy," or divided rule, with common responsibility of this House and the Legislative Council?

The Speaker: The words "Home Rule" were used, not in a technical sense, but in a general sense. Certain subjects have been transferred wholly to these Legislative Councils, and it is with regard to those only that I used the expression.

Sir W. Davison: As this matter is one of great importance, may I ask whether the Members of this House cannot get information from the Sec. of State for India as to certain action which may have been taken by the Governor or some of his Ministers? Are we not entitled to ask that question?

Mr. Speaker: It depends on the information which is asked for. When the question appears on the Paper, I will consider it.



Nex day, Feb. 24th. there was a long debate over the Speaker's ruling. Viscount Curzon led the attack. The following is the full text of the debate.

Viscount Curzon :—I desire to ask you, Sir (the Speaker), a question with regard to the ruling given yesterday on a question in reference to India. I asked a question with reference to a certain man in India, and whether certain statements made about him were correct. You replied that it did not seem to be a matter for Parliament but one for the Legislative Council. The Hon'ble Member for South Kensington (Sir W. Davidson) then asked :

'Is it not a matter for this House to know whether a man responsible for the Government of India, who has been appointed to high office under the Crown, is a convicted rebel? I submit that we are entitled to that information.'

You said that the House having practically given Home Rule, or something in the nature of Home Rule, to these councils, the less it interfered with the councils the better. When a country has been given Home Rule, are we to understand that no further questions may be asked about the details of administration in that country?

Sir W. Joynson-Hicks : May I call your attention to a section of the Act passed the year before last? Section 4 enacts that the Governor of a Governor's Province may, by notifications, appoint ministers, not being members of his executive, and so on. The Governor of this Province was an officer appointed by the Crown, and for the appointment of that officer the Secretary of State is clearly responsible. I submit that under the terms of that section, this minister having been appointed by the Governor of the Province who was appointed by the Secretary of State here, we are entitled to ask the question of the Secretary of State as to the conduct of his own appointment.

Mr. Ormsby Gore : Is it not also laid down that the Ministers so appointed are responsible to the Local Legislature and removable by the Provincial Council. If that be so, would not a deadlock be reached at once if Ministers were appointed to an Indian Province and had not the confidence of the Provincial Assembly of that province? Therefore, is it not impossible for two Legislative Chambers to attempt to share such responsibility, and will it not have to be made quite clear whether the Indian Ministers are responsible to the Provincial Councils or to this House? It must be one or the other : both cannot possibly exercise the responsibility.

Sir W. Joynson-Hicks : My hon'ble friend has not quoted the section, which goes on to say :



"Any Ministers so appointed shall hold office during his (the Governor's) pleasure."

Sir H. Craik : Might I, as a member of the Joint Committee, point out that the nomination of these Ministers is in the hands of the Governor, but we were repeatedly assured that the Governor would be responsible to the Secretary of State. That is quite independent of the methods that may be used by the Assembly for removing such Ministers. The original appointment of the Ministers is in the hands of the Governor, and the Governor is responsible to the Secretary of State who is answerable to this House.

Mr. Speaker : The noble Lord asked me a general question ; and I said, in reply, the legal phrase, "*Dolus latet in generalibus.*" I will not answer it in general terms. I will only say that it must depend in each case upon the events into which it is desired to enquire, and upon the questions which are put. We are now commencing a new era in India, and it appeared to me yesterday, and still appears to me to-day, that it would be extremely undesirable if this House were to attempt to undertake the function of controlling or criticising the Ministers who are responsible to the newly created legislative bodies. After all, the Ministers, however chosen, however selected, are the Ministers of those legislative bodies. They presumably have their confidence, their salaries are voted by them. Talk of dyarchy ! It would indeed be dyarchy if we supervised those Ministers as well as the legislative councils to whom they are responsible ! For that reason I think that we had far better begin to abstaining from asking questions and criticising the Ministers who have been duly selected by the Governor, under the statutory powers which this House has given him for that purpose.

Sir H. Craik : On the point of order, may I say, with great respect, that the question raised was not in regard to any criticism of the action of the Minister who is now responsible to the Assembly in India. A question was raised with regard to the action of the Governor who is subject to the Secretary of State. The question had relation not to the action of the Minister, but solely to the action of the Governor in appointing the Minister and we contend that the Governor, in so doing, was responsible to the Secretary of State, and, through him, to this House.

Mr. Speaker : The question was intended to hit the Minister through the body of the Governor.

Sir W. Davison : My question was : was it a fact that the Governor had appointed to a Ministry in the Punjab a gentleman who had been convicted of rebellion against the Crown ; and, as the Governor was appointed on the recommendation of the Prime



Minister, I thought that that was a question which might be asked in this House.

Viscount Curzon : The question that I asked the Minister was : was it a fact, as stated, that this man was a convicted rebel, and that he held jurisdiction over a large number of Europeans. The statement appeared in the Press that he was a convicted rebel and I wanted to know for information whether it was so or not. To that you replied that it did not seem to be a matter for this Parliament. May I now ask whether I was entitled to have the information for which I asked, without any reference to criticising the action of any one ?

Mr. Speaker : If you say that a man is a convicted rebel, I think you criticise him. You do not do him any good.

Mr. Devlin : Do I understand that a rebel is entitled to be a Minister if he is not convicted ?

Mr. Speaker : The hon. Member is leading me into deep waters.

The point was raised again on March 1st. when Sir H. Craik asked :—

I desire, with your permission, Mr. Speaker, to raise a point of order arising out of certain rulings which you gave on Wednesday and Thursday last, which rulings have given rise to anxiety in many quarters. This is due to an interpretation being placed upon them which I think they were not intended to hear. The point arose on Wednesday (23rd) with reference to a question as to the action of a Governor in appointing a certain Minister, and you said, Sir, "That does not seem to be a matter for this Parliament."

You further stated :

"The House having given practically Home Rule or something in the nature of Home Rule to these Councils, the less it interferes with these Councils the better."

On Thursday in reply to a question of my own as to the responsibility of the Governor to this House through the Secretary of State, quite irrespective of any question of the Minister or the Council, you stated :

"The question was intended to hit the Minister through the body of the Governor."

I desire to raise now no question in regard to the Minister of the Local Council, nor, so far as I understood, was either of these involved in the question of the responsibility of the Governor to this House through the Secretary of State for India. I venture to call your attention to the Preamble of the Act of 1919, wherein,



in reference to the progressive realisation of responsible Government in British India, it is stated :

“ Progressive in giving effect to this policy can only be achieved by successive stages ” and further :

“ The time and manner of each advance can be determined only by Parliament upon whom the responsibility lies for the welfare and advancement of the Indian peoples. ”

I would further call your attention to the fact that the appointment of the Minister rests solely with the Governor, and that under the Act and in accordance with the strong recommendation from the Joint Committee, responsibility to this House through the Secretary of State is strongly affirmed, and any rules restricting such responsibility must be approved by Parliament under Section 33 of the Act. I desire, therefore, to ask you whether we are right in assuming that nothing in your rulings of last week should be understood as limiting the power of Parliament to supervise the action of officers acting in India under the Secretary of State, or the right of members of this House to raise questions as to such action.

Mr. Speaker : I thank the right hon'ble gentleman for having been kind enough to postpone from yesterday to to-day the raising of this point of order. That has given me more time to look into the matter and refresh my memory by reading again the Preamble to the Act of 1919. The more I look at it the more I am convinced that I was right. The last paragraph says :

“ And whereas concurrently with the gradual development of self-governing institutions in the Provinces of India it is expedient to give to those Provinces in provincial matters the largest measure of independence of the Government of India which is compatible with the due discharge by the latter of its own responsibilities...”

If, therefore, this House was of opinion that it was desirable to give the Provinces of India the largest possible measure of independence of the Government of India, 'a fortiori', it is desirable that those provinces should be given a large measure of independence of the Imperial Parliament. That was my reading and that is my reasoning upon the Preamble. I have also looked at the Act again. I have come to the conclusion that, having started upon this new departure of granting a measure of self-government to the Provinces of India, it is highly undesirable that this House should interfere in any way with the control by those provincial legislatures of their own affairs. The Ministers who are selected by the Provincial Governors are selected under the Act of Parliament by the Governors, but the Ministers are responsible to the Legislative Councils of those Provinces, and even if this House were to pass some censure,



either direct or indirect, upon such a Minister, it would be futile. Therefore, it is very undesirable that it should be done or that any step should be taken which would lead up to it.

It seems, therefore, to me that, taking the broad view of the situation, Parliament intended to transfer to these Provinces of India complete control, subject, possibly, to the action of the Indian Legislature, of the transferred subjects and those are the only ones I am referring to. For that purpose the Governors of Provinces are empowered to select Ministers who will be responsible to the Provincial Legislative Council. Therefore, to permit criticism of the character or conduct of the Governors in the matter of transferred subjects appears to me to nullify the intentions of the Act. I have also come to the following conclusion. If it is desired to condemn the action of any Governor in a matter not transferred, it is open to a member to make a motion of a character similar to that which is made in the case of the Governor-General of India or the Lord-Lieutenant of Ireland. That, I think, replies to the last part of the hon. member's point of order as to the power of this House to supervise the action of the officers acting under the Secretary of State.

Sir H. Craik : With all respect to your ruling, may I point out that I intended, and I thought I had conveyed my meaning, to confine my point solely to the question, not of the case of Ministers dealing with transferred subjects but of the action of the officers responsible through the Secretary of State to this House in their general administrative acts. I was not referring to the transferred subjects at all. The appointment of those Ministers is not a transferred subject. It is a matter for which the Governors are responsible, as I understand, to this House ; but I gather from the last words that fell from you that you leave to members the right to raise questions as to the action of such officers ?

Mr. Speaker : That is so. I accept the view of the right hon. gentleman, but upon the question of transferred subjects I still hold that there is no right of interference by this House.

Lord Hugh Cecil : Of course we recognise that it is for the Chair to determine questions of order, but I do not quite understand how this is a question of order. It may or may not be desirable to interfere with transferred subjects, but it is for the House to consider the question ; it is not a matter for the Chair.

Mr. Speaker : The noble Lord, I think, was not here when questions were put last week which raised the point of order. That is why I was brought in.

Sir W. Joynson Hicks : May I ask, in view of the judgment which you have now delivered, that the action of the Governor may be criticised whether an appointment by a Governor of A or



B is not an act coming directly under your ruling, seeing that the Governor is responsible to the Secretary of State for his action? We do not want to ask the views of yourself or of any other member as to the acts of individual Ministers, but may we not, under your ruling, ask whether a Governor has appointed A or B as a Minister?

Mr. Speaker: I thought that I had answered that question. As a result of my construction of the Act it places him in the same position as the Governor General. If criticism be desired, a motion should be put down in the ordinary way and discussed in this House.

Sir J. D. Rees: Will not the difficulties of the Indian Governors, which are already sufficient, be immensely increased if the House is to discuss and criticise their appointments of Ministers?

Mr. Speaker: I am much obliged to the hon. Baronet for his support.

Mr. Ronald McNeill: Are not the restrictions and rules with regard to the putting of questions in this House definitely laid down in the Manual of Procedure which is in the hands of all Members, and would it not be more desirable that the Standing Orders on which those rules are based should be altered to meet these growing requirements than that the existing rules should be extended, however desirable it may be, by the exercise and discretion of the Chair? It would give much more certain guidance to hon. members and, in view of the growing importance of the relations between the Imperial Parliament and subordinate Parliaments, this is a matter which may come up in the future in many respects.

Mr. Speaker: There are no Standing Orders applicable to the present case, but there is no reason, if the House thinks fit, why it should not introduce such a Standing Order as the hon. gentleman suggests.

Mr. Ormsby Gore: Is it correct to use the words "subordinate Parliaments" for the Legislatures of Canada and the Commonwealth of Australia? Is not that one of the things most resented in the Commonwealth and is it not much more desirable, if we are going to frame a new Standing Order dealing with the powers of this House to question all these various Legislatures of the Empire, that the word "subordinate" should be carefully kept out in each case?

Lieut. Colonel Archer Shee: Is it not the fact that India is a self-governing dominion?

Mr. Speaker: We are getting rather far from the point from which we started.



**BURMA REFORMS IN THE LORDS**  
**HOUSE OF LORDS—8TH MARCH 1921**

Early in March 1921 the Burma Reforms Bill came before Parliament. In the House of Lords, on March 8, 1921, Lord Lytton moved the second reading of the Government of Burma Bill which, he said, constituted Burma a Governor's Province within the meaning of the Government of India Act. The text of the Bill is given below :—

A Bill for applying to Burma the provisions of the Government of India Act with respect to Governor's provinces and for purposes connected therewith.

Be it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal and Commons, in this present Parliament assembled and by the authority of the same as follows :—

(1) Section 46 of the Government of India Act (which makes provision as to the mode of the Government in Governor's provinces) shall have effect as though Burma were included amongst the Provinces specified in subsection (1) thereof and all the provisions of that Act which relate to Governors' Provinces shall apply to the Province of Burma accordingly :

Provided that (A) Sub-Section (2) of Section 72 (A) of that Act which relates amongst other things to the proportion of elected members in the Governor's Legislative Councils shall, in its application to Burma, have effect as though 60 percent were substituted for 70 percent, and (B) the number of members of the Legislative Council of Burma shall be ninety-two and the first schedule of the Government of India Act shall have effect accordingly, and (C) <sup>P</sup> the maximum annual salary of the Governor of Burma shall be Rs. 190,000 and <sup>15</sup> the maximum annual salary of the members of the Executive Council of the Governor of Burma shall be Rs. 48,000 and the second schedule to the Government of India Act shall have effect accordingly.

(2) Sub-Section (1) of Section 55 of the Government of India Act is hereby repealed.

(3) (1) This Act may be cited as the Government of Burma Act 1921.

(4) Sub-Sections (2) and (5) of Section 47 of the Government of India Act 1919 (which relate respectively to the date of the commencement and the removal of certain difficulties) shall apply to this Act as they apply to that Act as though herein set out and expressly made applicable to the subject-matter of this Act.

If the Bill were enacted, a committee was to proceed to Burma to make enquiries locally and to issue recommendations with regard to the division of the functions of Government and the distribution of franchise in a similar manner to the case of India subject to the rules which might be based on the report of that committee. The Bill when enacted would establish the principle of Dyarchy, the number of elected members would be sixty instead of seventy per cent, because there was in Burma a large mixture of distinctive races which differentiated it to some extent from India, and in order to secure adequate representation for these without the necessity for establishing a community of franchise communities, they proposed to have a larger number of nominated members than in



India. In deference to very strong pressure from the Government of India a clause had been inserted in the first draft bill making the title of the Viceroy in future the Governor-General of India and Burma in order to mark the fact that Burma was distinct from India, but on further consideration this clause was dropped. The Government however was very anxious to find if there was any possible way of meeting Burmese sentiments in this connection and, if the bill were referred to a Joint Committee, the committee would be asked to try to find means of making this distinction.

Lord Lytton pointed out that Burma could have been constituted a Governor's Province without an Act of Parliament merely by the authority already vested in the Sec. of State under existing legislation, but unfortunately there was difference of opinion between the Government of India and Mr. Montagu with regard to the Constitution which should be established in Burma, and Mr. Montagu had decided to allow Parliament to decide. The Government of India had been invited to reconsider their proposals but could not agree to the proposal to apply the principle of Dyarchy to Burma or to make it a Governor's Province. In transmitting a resolution of the Legislative Council of Burma the Government of Burma had made significant admission. Lord Lytton said that as a result of the Joint Select Committee's recommendations in 1919 and Mr. Montagu's announcement in 1920 it was no longer possible to differentiate Burma very materially from the Indian Provinces. Although the opinion in Burma itself undoubtedly favoured the policy embodied in the Bill, the Government of India did not agree.

Lord Lytton emphasised that the bill, which two years ago represented the opinion of the advanced section in Burma, now represented the opinion of the Moderates. The Government could have over-ridden the Government of India and instructed them to apply the Act by notification, but instead Mr. Montagu properly decided to submit the whole case to Parliament. He asked the Lords to allow the bill to go before a standing joint committee on Indian affairs and to let the committee investigate the whole matter including the alternative proposals of the Government of India. The committee would have all relevant documents and would be able if they wished to hear evidence from the Government of India and from representatives of Burma, and after they had fully investigated the matter they would report to Parliament and the bill would return to the Lords with the recommendations of the committee.

Lord Sydenham moved the rejection of the bill declaring that it came to the House against the wishes of the Government of India, the Government of Burma and the opinion of the greatest experts



on Burma. We should wait to see, said he, how diarchy was going to work out in India.

Lord Ampthill declared that abrogation of the functions of Parliament to the committee would be the most dangerous constitutional innovation and moved an adjournment of the debate until the correspondence between the Government of Burma, the Government of India and Mr. Montagu had been laid on the table. He objected to diarchy and said that they should see what the Indians thought of dyarchy before applying it to Burma.

Lord Selbourne agreed that the question of Self-Government for Burma might usefully be threshed out by a joint committee but he pointed out that the bill committed them to the principle that Burma should remain part of the Indian System. That was extraordinarily important. When the joint committee considered the Government of India bill he had received a definite impression that Burma ought not to be part of the Indian System, but ought to be made a separate Government because the conditions in Burma were wholly different from those in India. He supported Lord Ampthill's motion because they ought to know why the question had been prejudged.

Lord Lytton replying said there was nothing in the bill with regard to Burma remaining a part of the Indian System. Nothing in the bill proposed to alter that. Possibly the select committee would recommend the separation of Burma from India, but whether Burma separated or not they must still deal with its Constitution. The whole question was what was the best machinery or form of Government to achieve the ultimate goal of Self-Government. The House would be better able to decide when they had before them not only the despatches which would be published but all documents and evidence that would be submitted to the joint committee. He would be quite willing that papers should be published to enable them to form opinion on the issues between the Government of India and Mr. Montagu but he begged them not to delay in submitting the bill to the select committee because further delay was unsafe and unwise. The Government was convinced that the time had come when intention must be shown to fulfil the pledge of Self-Government for Burma.

Replying to Lord Sydenham Lord Lytton indicated that if the bill were rejected Mr. Montagu would have no alternative but to proceed under the Government of India Act with his policy in his own way. Lord Sydenham thereupon withdrew the motion of rejection. Lord Ampthill's motion was carried by 36 votes to 31.



## THE EMERGENCY COMMITTEE

### The India Emergency Committee

Other matters connected with India were also debated in the Lords on the same day. Lord Lytton, as the spokesman of the India Office, assured the House that Parliament had the right to review the administration of the transferred subjects by the Indian Minister, but toned down his remarks by saying that Parliament must exercise self-restraint in interfering with the administrative discretion of the local Government in India in regard to subjects that were not reserved. The Sydenham gang, however, went in for a considerable heckling of the Under-Secy, and question after question was put about the lot of British officials serving under Indian Ministers and their right to appeal from the Ministers' decision.

Not content with their obstructionist tactics in Parliament the Die-hard party, led by the redoubtable O'Dwyer and Lords Sydenham and Amptill, started a propagandist party of their own and named it the India Emergency Committee. In a manifesto that they issued they said :—

For some time past accurate information of the general position and trend of events in India has not been obtainable in this country. Occasional letters of warning from individuals with first-hand knowledge have appeared in the Press ; but for the most part the real facts are ignored or misrepresented.

The Government of India having gradually lost control of the situation during the last three years has now ceased effectively to maintain law and order. Isolated groups of Europeans are being boycotted and assaulted ; English girls are publicly insulted in the streets of the leading cities ; serious faction fights between Indians take place unchecked and contribute to the growing disorder ; continual strikes are fostered by Home Rules in railway workshops and among industrial and transport workers, the lower ranks of Government employees, and the menial urban population ; threats are openly hurled against European commerce and trade enterprise. In several places a sinister combination for disorderly ends has been formed under the auspices of agitators between college and school students and the truculent riff-raffs of the Bazars, and schools and colleges have in consequence been closed.

The Montagu reforms are spurned by the extremists who are frankly Bolshevist in their attitude towards the British Government, styling the latter "The Empire of Sin" ; while unity of the Provincial Governments is rendered impossible by the presence of an expensive galaxy of Indian Ministers, who, where they have not shown themselves definitely hostile, are wholly lukewarm in their support of the British administration.

The Public Services are disheartened by lack of support and by the paralysis of the Central Government ; true Indian loyalists are openly harrassed and boycotted by the revolutionary party and are denied protection : while, according to the latest ruling of the Speaker, Parliament is apparently debarred from imposing any effective check upon a general surrender to our enemies in India.

In order to draw attention to the danger of the present situation in India and to explain more fully its salient features, an Emergency Committee has been formed which will conduct an extensive campaign to draw attention to the grave peril that threaten our Eastern Empire. In this connection a public meeting is to be held at the Cannon-street Hotel, London, on



8 MAR. '21]

THE CANNON STREET MEETING

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Thursday, 17th March, at 2-15 p. m. Lord Ampthill will take the chair, and the speakers will include Lord Sydenham, Sir William Joynson-Hicks. Sir Charles McLeod, Colonel Applin and others.

Charles McLeod  
Sydenham  
W. Joynson-Hicks

Michael O'Dwyer  
Ampthill

J. C. Shorrocks  
R. V. K. Applin  
Stanley Machin

The India Emergency Committee, 64 Victoria-Street, Westminster, March 9th.

Accordingly, on March 17th, 1921 a large meeting was held in the Cannon Street Hotel to protest against Mr. Montagu's policy in India. An overflow meeting was held in the adjoining Pillar Hall where Col. Applin took the Chair. Lord Ampthill, the president, and Lord Sydenham denounced Mr. Montagu and all those connected with his policy, in their usual bullying language; the policy of the Secretary of State was intelligible only if he were a member of a Bolshevist Govt.! General Dyer had saved India! Mr. Mahomed Ali was the King's enemy! Gandhi had declared that he preferred Bolshevist to British rule! The agitators had followed the Duke of Connaught as he toured in India and had proclaimed that the King was powerless! Such were the burden of the speeches of these self-styled well-wishers of the Indian people!

The climax however was reached when that hero of the Punjab, Sir Michael O'Dwyer, rose to speak. He gave a lurid description of what was happening or what he thought was happening in India, the processions and hartals, the agitation set on foot by Gandhi, the way in which the Indian Govt. was licking the boots of the extremists, and it was amazing that a country which had defeated the Kaiser should have sunk so low! And so on. Finally, amidst wild scenes of exultation the following resolution was passed.

"This meeting desires to impress on His Majesty's Government the grave nature of the situation which has arisen in India, imperilling the lives and interests of His Majesty's loyal subjects, both British and Indian, owing to the failure of His Majesty's Government to deal promptly and effectively with seditious agitation, and asserts the right of Parliament and the British public to be kept fully informed of the facts and of the measures which are being adopted for the restoration of confidence and tranquility in India".

It is only necessary to add that the formation of this vigilant emergency committee was viewed with alarm by most Englishmen in India as being calculated further to make things difficult for them in India. The European elected members of the Legislative Assembly, Delhi, accordingly, sent a message of protest to which Lord Ampthill curtly replied: 'Mind your own business.'



# Lancashire Deputation to Mr. Montagu

*INDIA OFFICE—23RD MARCH 1921*

By far the most important affair in England about India early in 1921 was the great agitation carried on against the fiscal autonomy which India was slowly going to secure for herself. A very strong and influential deputation of Capital and Labour of Lancashire interested in the Cotton trade waited on Mr. Montagu to press their opposition to the new Indian customs duties on cotton goods. They tried to argue, and then to threaten the Secretary of State, that the new fiscal arrangements in India must go as they meant loss to their trade. The tone in which the speeches were made, and their phraseology—especially those of the labour members, showed how very determined they were to regain their fiscal dictatorial powers over India. Very elaborate arrangements to receive the deputation were made in the Council Chamber at the India Office. It was headed by Sir William Barton, M. P., who introduced the deputation and consisted of more than 100 members representing the industrial, commercial and financial interests of Lancashire, Yorkshire and Cheshire—the wealthiest and the most influential countries of England.

Sir William Barton, who has the singular knack of saying hard things in a very pleasant way, accused Mr. Montagu of sacrificing Lancashire, which depends so much on Indian custom, to placate Indian politicians who favoured the cotton duties in order to benefit mill-owners in India. It had not been dictated by considerations of revenue, he said. It was protective. It was inequitable towards the Indian consumer.

Mr. Tom Garnett, the representative of the Cotton Spinners' and Manufacturers' Association of Manchester, sketched the history of the cotton duties from 1895 to 1917, in order to make out that Lancashire had been wronged by the raising of the cotton duty without also raising the excise. He gave Mr. Montagu to understand that in 1917 an undertaking had been given to Lancashire that no further increase in cotton duties would be allowed in India without prior consultation with Lancashire. The new duty, Mr. Garnett declared, will not be paid by Lancashire, but will be passed on to the Indian consumer, who will suffer. India is Lancashire's greatest customer because Lancashire can supply cotton goods better than anybody else. Lancashire did not ask for any preference. But he immediately afterwards told Mr. Montagu and his



colleagues that if he wants more revenue he must raise the excise duty. The cotton industry in Lancashire was, he added, a great national and Imperial asset. The duties which he had sanctioned were dealing a blow to the revival of this trade, which was passing through the greatest crisis that he, with his 50 years' experience, could recall. If panic arises in Lancashire it will spread elsewhere, because the ramifications of the cotton trade extend very far. Lancashire, he said, was not greedy and indifferent. It was generous and public-spirited. Though the Civil War in America had hit it hard, yet so keen was it upon the abolition of slavery that it did not side with the Southern States. Presumably Mr. Montagu was to infer from that passage that he was aiding and abetting Indians bent upon destroying this idealistic Lancashire !

Mr. Garnett concluded by reminding the Secretary of State not to forget that so long as Parliament remain responsible, to any degree, for the administration of Indian affairs, Lancashire will not submit to India putting on protective duties to harm Lancashire trade.

Mr. Smethurst, representing the Master Cotton Spinners of Manchester, quoting figures, some of them compiled by Sir William Meyer, sought to prove that the Indian cotton industry was a thriving industry, and had been steadily driving Lancashire out of the Indian market. Bombay mill-owners, he contended, were rolling in wealth. The dividends had gone up from about 5 per cent in 1914 to almost 45 per cent in 1920. Such an industry needed no protection. ~~He affected to laugh at public opinion in India,~~ but confessed that sentiment in the Indian legislature favoured protection. Whenever India has the opportunity, he declared, she would go plump protectionist. And he called upon His Majesty's Government to protect Lancashire against that disaster. The note on which he concluded his speech was that Lancashire will give the Government no peace until its demand was conceded.

Mr. Grant, representing the Dyers, Bleachers and Finishers of Manchester, told Mr. Montagu and his colleagues that what disadvantageously affected Lancashire also disadvantageously affected the numerous industries not only in England but in the contiguous countries as well, because those industries depended upon the product of Lancashire's spindles and looms. Following the lead given by the previous speaker, he scoffed at public opinion in India, said that the franchise was very limited, and the demand for the new duties was not a demand from the people of India, but on the contrary was made at the behest of the Indian mill-owners. Constitutionally, he informed Mr. Montagu, His Majesty's Government had full control over Indian finances, and



he appealed to him to protect the export trade of England which was at the mercy of Indian protectionists.

Then came the first Labour speaker, Mr. Robinson, a rather short, square man who emphatically stated that in the matter of Indian cotton duties, the operatives were in entire agreement with the employers, and would work shoulder to shoulder with the masters. Over 200,000 operatives in Lancashire were without work and in receipt of doles. Since they had returned from the war they had not had an hour's work. India may have fought in the war, but what was her share compared with Lancashire's? If India needed more money, why could she not put an excess profits duty or raise the excise? As long as India was a part of the Empire, the Secretary of State should see that Lancashire got fair play from India.

Mr. Thomasson, another Workers' representative, informed Mr. Montagu that the workers were determined to see this thing through to the end. Justice must be done to Lancashire.

Mr. Cross, the third Labour representative, reminded the Secretary of State and his Councillors that it would not do for him to ignore the temper of the Lancashire worker. The duty hurt the employees even more than it did the employers, because the capitalists could take their capital and go elsewhere, whereas the labourer could not do so. The Indian people were given an open market in Britain, which refused to put a shilling's worth of protection on their goods. The inference was that Britain demanded like treatment from India. He asked if the work-people of India wished to throw the workers of England out of employment. Evidently he must have realised that his words and attitude were quite threatening, for he himself admitted feeling "pretty warm" on the subject.

As soon as Mr. Cross sat down, Sir William Barton rose and told the Secretary of State that the Lancashire case had been made out. Thereupon Mr. Montagu made his reply.

#### Mr. Montagu's Reply

Mr. Montagu opened his reply by denying the impression that seemed to have got abroad that the Govt. of India had taken the first change of the newly found liberty to pay off an old score and impose a duty with the main object of protecting the Indian cotton goods and injuring the Lancashire trade. Admittedly, the duties are protective. Nevertheless, pending the final settlement of the future Indian fiscal policy, it was imperative to impose new taxation which happened to be protective in incidence. He quoted from the budget showing the unavoidable deficit mainly in consequence of the increase in salaries, fall in exchange, trade slump and heavy military charges. As regards the latter, Mr. Montagu pointed out that the figure for defence was the very lowest that the Government of India



could accept if they were to be in a position to fulfil the responsibilities to India and to Parliament for the peace and good Government of the country. Then he declared that the Government of India, during the past few years, had explored every source of revenue.

In reply to a question why they did not have excess profits duty, Mr. Montagu pointed out that India had such a tax, but the request for its removal, which was so vociferous in England, had triumphed a bit earlier in India. There was no money available from Provincial Governments, because their contributions were fixed by the Statute. A large tax had already been imposed on railways. Opium was a vanishing source of revenue, whilst the tax on salt, which touched the pockets of the very poorest, was unthinkable. Postal rates and income-tax had been greatly put up already, and, consequently, the customs remained the sole source for fresh revenue. Mr. Montagu emphasised in this connection that cotton had not been singled out but, on the contrary, the tax applied to the whole amount of exports. The best proof, he said, that we were seeking revenue and not protection, was the withdrawal of the concession which had hitherto been allowed on machinery for cotton mills. V

Mr. Montagu did not desire to argue the case on economic grounds. Most of the deputation, like himself, were free traders, but he rarely met an Indian who believed in any doctrine except protection. Admittedly, it would be theoretically possible to forbid the introduction of the budget proposals, but actually it would be absolutely impossible, because he would have to veto the whole Bill, leaving the Government of India none of the increased revenue to meet the increased charges. On the other hand, supposing he had refused permission, the Government of India would have had to propose to the Legislative Assembly duties on cotton, coupled with the corresponding excise. Mr. Montagu was sure that the Assembly would overwhelmingly defeat such a Bill.

Answering to the argument that the taxes were imposed for the benefit of the Bombay millowners, Mr. Montagu pointed out that the proposal to increase the tax to 12 half per cent was supported by the Bombay members, perhaps, to some extent, as a counter-blast to the Manchester agitation, and was defeated mainly on account of the realisation that the interests of consumers should have the first consideration, and also because at the present time it was unjustifiable to engage in a measure of protection for other than revenue-producing purposes.

In regard to the constitutional issue, Mr. Montagu quoted the Selbourne Committee's recommendation in 1919 on the Government of India Bill to the effect that while no statutory change can be made



with regard to the Government of India's fiscal measures, while the Governor-General remains responsible to Parliament, the conventions governing the matter may wisely be modified to meet the fresh circumstances caused by the creation of the Legislative Assembly with an elected majority. Only exceptional circumstances would justify the Secretary of State intervening in matters purely of Indian interest. Here the Government and the Legislature of India were in agreement. Mr. Montagu further said that the door for negotiation between India and the rest of the Empire was open, but negotiation without power to legislate was likely to remain ineffective. A satisfactory solution of the question could only be guaranteed by granting to the Government of India the liberty to devise tariff arrangements most suitable for India's needs as an integral portion of the British Empire. Whatever might be the right fiscal policy for India, she should have some liberty to consider her interests as Great Britain, Australia, New Zealand, Canada and South Africa had. Mr. Montagu proceeded by saying that after that report by an authoritative Committee, coupled with Lord Curzon's promise in the House of Lords, it was absolutely impossible for him to interfere with the right which had been wisely given and which he was determined to maintain, namely, to give the Government of India the right to consider Indian interest just like Great Britain and the rest of the Empire. Mr. Montagu recalled that the Labour Members had given their valuable support to the passage of the Reforms Bill, although they had desired even greater liberty for India, and, consequently, he was astonished to hear the arguments of the Labour representatives in the present case. He was convinced that British trade could not prosper in India without the good-will of India, which was best secured by letting India have her own fiscal way. While he was sure that the Government of India's future fiscal policy would be protective, because Indians and Englishmen there were nearly wholly in favour of protection, he hoped that in the system ultimately adopted, India, of her own free will, after carefully exploring the methods by which it could best be accomplished, would take her stand in the system of Imperial preference which had been adopted by Australia, New Zealand, Canada, South Africa and Great Britain, if only to demonstrate to the world her solidarity within the British Empire. Nevertheless, it would be the most profound mistake to use the statutory powers to force Imperial preference upon her.

Mr. Montagu assured the deputation that India had only used her fiscal liberty which was promised her in 1919, in accordance with the principles in which she believes in order to obtain absolutely necessary revenues.



Referring to the Lancashire Commoners' suggestion to send a deputation to India to discuss the matter with the Government of India and Members of the Assembly, Mr. Montagu opined that it would be a good thing to sit down and talk with the people in whose custody the matter rested, with a view to arriving at a mutual advantage based upon the recognition that India has power under the solemn pledge to devise her own tariffs when under the regrettable necessity of raising revenue for her own and imperial needs. Because the defence of India was co-incidental with the defence of the Empire, he was sorry that he was not in closer agreement with the deputation, but declared that they were acting in regard to India as much as they did in regard to other parts of the Empire. He believed that the principle of freedom, which was very dear to the hearts of the people of Lancashire, would not be denied to the people of India. Although the electorate of India was still very limited, it was vast compared with any previous electorate, and "having got the most Representative Assembly you can, you may trust the electorate which elects to the Assembly to see that its action is in harmony with the wishes of the electorate."

At Mr. Montagu's request, Sir Charles Stuart Bayley, ex-Lieut. Governor of Behar, and Vice-president of the India Council, addressed the deputation, and explained the burning nature of the cotton goods question. In reply to the insinuation about public opinion in India which he deprecated, he pointed out that it was difficult accurately to ascertain the public opinion of any country, particularly of a huge population like that of India. One might question what public opinion in Britain was. Nevertheless, he was sure that the Europeans and also Indians, who were sufficiently educated to express an opinion, were unanimous on the matter and considered that India had been badly treated in the matter of cotton duties.

In the end Sir Barton and Mr. Tom Shaw thanked Mr. Montagu for his patient hearing of Lancashire's case, although they were not satisfied with the explanation. Mr. Tom Shaw urged Mr. Montagu to make friendly representations to India, pointing out that 200,000 unemployed in England were likely to be injured by the policy complained of. Mr. Montagu promised to convey to India the views that had been stated, but he could not recede from the position that India must be permitted to devise her own tariff in her own interests. The deputation then withdrew.



# Interpellations in Parliament

Some of the more important interpellations in Parliament on Indian affairs early in 1921, showing the trend of British feeling on India, are reproduced below from Hansard :—

*HOUSE OF COMMONS—23RD FEBRUARY 1921*

## Reductions in the Indian Army

Sir J. D. Rees asked the Secretary of State for India whether he can give the House any information regarding recent or prospective reductions in the Indian Army?

Sir W. Joynson-Hicks asked the Secretary of State for India whether he is aware of the anxiety caused in India by the proposal to reduce the Army below pre-War limits; whether such proposals had the approval of the Commander-in-Chief; and when the decision was arrived at?

Sir C. Yate asked the Secretary of State for India how many regiments of cavalry and battalions of infantry are to be reduced in the Indian Army; what was the number of each in 1914; and what will be the number when the proposed reductions are carried out?

Mr. Montagu: There were in Aden and India in 1914 :—39 Indian cavalry regiments, 132 battalions of Indian infantry and pioneers, and, in addition, 6 Indian infantry battalions in overseas garrisons. Arrangements are now being made to maintain in India : 21 Indian cavalry regiments, 132 battalions of Indian infantry and pioneers, with a somewhat reduced establishment. In addition there will remain the Indian cavalry and infantry units employed overseas. But the question of the final post-War strength of the Army in India is engaging the close attention of His Majesty's Government, and I hope to make a statement to-day fortnight.

Sir W. Joynson-Hicks: I hope I am not pressing the right hon. Gentleman too far, but may I have the assurance that pending the statement no further reductions shall take place?

Mr. Montagu: Yes. Pending that statement no further reductions are contemplated.

Lieut. Colonel Croft: In view of the fact that the last answer seems to contradict the answer to a previous question, may I ask the right hon. Gentleman if the discrepancy in the number of cavalry regiments, between 39 and 21, is made up by cavalry regiments serving in other theatres, or is there a reduction?

Mr. Montagu: The previous questions referred to reductions already made. This refers to reductions that are to be made.



Lieut. Colonel Croft : Is it a fact that there is to be a very considerable reduction in Indian cavalry regiments ?

Mr. Montagu : Yes, there is to be a considerable reduction. I think I shall be able to explain it to the satisfaction of the hon. and gallant Member this day fortnight, when I hope to make a statement on the whole question.

Mr. Gwynne : Will the right hon. Gentleman answer the last part of the Question, whether such proposals had the approval of the Commander-in-Chief, and when the decision was arrived at ?

Mr. Montagu : I think the whole position will be made quite clear when I am in a position to make a statement. No reduction has yet been sanctioned on which there has been discussion of any sort or kind in the Government of India.

Sir C. Yate : How many regiments are serving abroad, and deducting these, to what number will it actually be reduced ?

Mr. Montagu : I should like to consult the War Office before I say how many cavalry regiments are serving abroad for very obvious reasons. If the hon. Member will put down a question I will discuss with the War Office whether it is possible to give the information without prejudice to the public interest.

#### Army (Strength).

Sir W. Joynson-Hicks asked the Secretary of State for India how many Indian cavalry regiments have been disbanded ; whether they were pre-War regiments ; how many men have been disbanded ; and what pensions are being given to them ?

Mr. Montagu : Three Indian Cavalry Regiments were disbanded on 10th. January, 1919, and the fifth additional squadrons of four Indian Cavalry Regiments were disbanded during the year 1920. None of these regiments or squadrons were pre-War units. The establishment of the above units would amount to 2,160. Men serving on ordinary engagements get on disbandment certain special concessions in the way of pension or gratuity. I am sending my hon. Friend a copy of these rules.

Sir W. Joynson-Hicks : Will the Right Hon. Gentlemen take great care that these men do not go back to their homes and from the focus of discontent in India ?

Mr. Montagu : I think that is a very important consideration, and I will forward my Hon. Friend's suggestion to the Government of India for consideration.

Lieut.-Commander Kenworthy : Is not the loss of these regiments compensated for by the development of flying squadrons in India, and can we not look for some further economies by aeroplanes taking the place of cavalry ?



Mr. Montagu : In determining the post-War Army in India all these facts will be taken into consideration.

#### Auxiliary Force

Sir C. Yate asked the Secretary of State for India the number of voluntary enrolments in India up to date under the Auxiliary Force Bill and how this number compares with the number that were enrolled under the Indian Defence Force Act ; and what is the date fixed as the time limit for volunteering under the new Act?

Mr. Montagu : A report, dated the 18th January, states that "the Auxiliary Force is making good progress, and the numbers already recruited have now reached some 20,000 out of a proposed 32,000 by the end of the financial year." In October, 1920, the numbers in the Indian Defence Force were 33,451.

Sir C. Yate : Then there is a deficit now of 12,000 men ?

Mr. Montagu : Yes, of course it will take some time to recreate a force whose number was temporarily created during the War. It is hoped that 32,000, which is approximately the number, will be recruited by the 31st March.

Sir C. Yate : Is the 31st March the date fixed on which the question is to be compulsory or voluntary enlistment ?

Mr. Montagu : No date has been fixed. As soon as the Government of India say they cannot raise the force they require voluntarily, a compulsory force will have to be instituted ; but at the present moment they tell me that recruiting is very satisfactory.

Sir C. Yate : Will the right hon. Gentleman fix the date on which that can be brought forward ?

Mr. Montagu : I prefer to leave it to the Government of India, who are quite aware of what will give them the force which they require.

#### HOUSE OF COMMONS—2ND MARCH 1921

##### Government Motor Vehicles.

Mr. Manville asked the Secretary of State for India whether an order for motor car chassis required by the Government of India has been placed in Italy ; and, if so, will he state the number of the chassis so ordered and their value ?

Mr. Montagu : Orders for 144 motor vehicles of various kinds have been placed in Italy on behalf of the Government of India at a total cost of approximately £79,000.

Mr. Manville : Does the right hon. Gentleman really think that in times such as these the Government of India ought to have ordered material of that sort from Italy, seeing what the position of the motor car industry is in this country ?

Sir Fortescue Flannery : Is it the policy of the Govt. of India to buy cheaply or to assist in the employment of British workers ?



Mr. Montagu : The Government of India have to have regard to the interests of the Indian taxpayers. They would naturally prefer to buy here rather than abroad. The circumstances connected with this particular purchase, which I understand were ambulance cars, were that there was ready a surplus stock belonging to the Italian Government, and they were required to meet an urgent demand. British firms are going to tender for the remainder of the supply.

Viscount Curzon : Can the right hon. Gentleman say whether these chassis were new or cars which had been used during the War ?

Mr. Montagu : I understand that they were surplus stock belonging to the Italian Government, as far as the majority of the cars are concerned. I am not sure whether they were new or had been used during the War.

Mr. Manville asked the Secretary of State for India whether he is aware that British manufacturers are preparing special designs for motor vehicles at the request of the India office and submitting vehicles for trial in April ; and will he, under these circumstances, see that the requirements of the India Office for motor transport in India are satisfied through British manufacturers ?

Mr. Montagu : Sample motor vehicles are being prepared by British manufacturers for trial in India. Provided that these samples prove to be satisfactory after trial, the High Commissioner will give the British manufacturers full opportunities of tendering for any supplies that may be required, and will give every attention to such tenders.

#### The Indian Civil Service.

Sir W. Joynson-Hicks asked the Secretary of State for India whether the Report of the Joint Select Committee on the Government of India Bill, Clause 36, expressed the definite opinion that in the case of members of the Indian services who felt that they could not usefully take part in the new reform schemes they should be offered an equivalent career elsewhere or that they should be allowed to retire on proportionate pensions ; whether in consequence of this recommendation, members of the Indian Civil Service memorialised the Secretary of State with a view to securing such pensions ; whether the Secretary of State, in his despatch to the Viceroy of October 1920, stated that he would not consent to a scale of pensions which it would be open to any member of the service to claim as a matter of right on a mere statement that he found himself unable to serve under the new conditions ; upon what grounds he has overriden the decision of the Joint Select Committee ; and what is the present position with regard to members of the Indian Civil Service who desire to retire on proportionate pensions ?



Mr. Montagu : The despatch to which my Hon. Friend refers does not in any way override the recommendation of the Joint Select Committee, which can be adopted without devising a scale of pension. I can assure the House that any case of the kind which comes before the Secretary of State in Council will be dealt with in strict accord with the recommendation of the Joint Select Committee and the pledges that I have given to the House.

Provincial Legislative Council

Sir William Davison asked the Secretary of State for India whether in the instructions issued to the Governors of Indian provinces or presidencies, they are directed to safeguard all members of His Majesty's services in the legitimate exercise of their functions and in the enjoyment of all recognised rights and privileges, and to see that no order of the Local Provincial Council or of the Local Legislative Council shall be so framed that any of the diverse interests of, or arising from race, religion, education, social condition, wealth, or any other circumstance may receive unfair advantage, or may unfairly deprive them of the privileges or advantages which they have heretofore enjoyed ; and whether he is responsible to Parliament to see that Governors act in accordance with his instruction ?

Mr. Montagu ; I would refer the Hon'ble Member to the provisions in Section 84-A of the amended Government of India Act for the appointment of the first Statutory Commission for the very purpose which he has in view. Parliament is, of course, fully entitled to seek information, but I trust it will not seek to intervene in matters specifically entrusted to Indian legislatures.

Sir W. Davison asked the Secretary of State for India whether, seeing that in the preamble of the Government of India Act it is expressly stated that the Imperial Parliament, in considering the gradual development of self-governing institutions in India, must be guided by the co-operation received from those on whom new opportunities of service will be conferred and by the extent to which it is found that confidence can be reposed in their sense of responsibility, he will inform the House whether Members of Parliament will be able to ascertain from the Secretary of State from time to time as to the manner in which the various Provincial Councils are dealing with matters committed to them, so that Parliament may be guided as to its future action regarding the conferring of further responsibilities on such Provincial Councils ?

Mr. Montagu : The Hon. Member has correctly quoted parts of certain passages in the instructions issued over the Royal Sign Manual to the Governors of "Governors' provinces." The answer to the last part of this question is in the affirmative.



Sir W. Davison: I understand that this Parliament can ascertain facts which occur in these legislatures or with regard to the action of the Governors without interfering with what actually takes place?

Mr. Montagu: I always desire to place at the disposal of the House any information of this kind.

**Lord Rawlinson (Council of State Speech)**

On March 9, Sir W. Joynson-Hicks asked the Secretary of State for India whether he can state the nature of the proposals made to the Council of State on the 3rd instant by Sir William Vincent which were opposed by Lord Rawlinson?

Mr. Montagu: The Hon. Baronet's question is evidently based on a press message which appeared in newspapers, in which Lord Rawlinson is reported as having stated in the Council of State that the Government would be extremely lucky if the country escaped sporadic disorders in the next month, that he strongly objected to certain proposals of Sir William Vincent, and owing to attacks made upon them officers were already showing signs of losing their initiative. I felt sure, when I saw this message, that Lord Rawlinson must have been misreported, and I at once telegraphed to India for the facts. I am informed, in reply, that there is no truth in any of the allegations, that none of the subjects referred to were even mentioned in the Commander-in-Chief's speech and the Commander-in-Chief asks that a categorical denial should be made. Sir William Vincent in a speech in the course of the debate reported, alluded to possible sporadic disorders and to the possible effect on officers of such proposals- as those put forward by Mr. Sastri, the mover of the resolution under discussion. I find that the Press report is correct that six out of the eight proposals made by Mr. Sastri were rejected by the Council, and I gather that the two that were accepted were not regarded by the Government of India as unreasonable. I would add that Reuters, to whom I think we are greatly indebted for the information sent from and conveyed to, India with general accuracy, have expressed to me their regrets for the unfortunate mistakes connected with this telegram.

**Indian Immigration, New Zealand**

Sir T. Bennett asked the Secretary of State for the Colonies, whether he is aware that an Act to amend the Immigration Laws of the Dominion was enacted in 1920 by the New Zealand Legislature, and that among its other objects it was designed to prevent or place further restrictions upon the immigration into New Zealand of His Majesty's Indian subjects; if he will say whether representations on



the subject have been received by the Colonial Office ; and whether any assurances regarding the enforcement of the Act or the regulations framed under it have been received from the New Zealand Government by His Majesty's Government ?

Lieut.-Colonel Amery : The Immigration Restriction Amendment Act, 1920, of New Zealand makes no mention of Indians, but I have received a protest from an Indian Association in this country, the writer of which was referred to the Dominion Government. At the instance of the Government of India, the Government of New Zealand has given an assurance that there will be no alteration in the position as regards the entry of the wives and families of Indians already domiciled in New Zealand.

Sir T. Bennett asked the Secretary of State for the Colonies, whether he has received representations relative to the enactment by the Natal Provincial Council of the Durban Corporation Extended Powers Ordinance, 1920, and the Durban Tramways Consolidated Laws, 1905 and 1920 ; whether in these representations the fear has been expressed that the Durban Corporation, in enforcing these enactments, will do so to the prejudice of the rights and interests of the Indian citizens and rate-payers of Durban by the adoption of a policy of racial discrimination ; and whether, seeing that such a policy is opposed to the views of His Majesty's Government, as expressed on many occasions to the various administrations in South Africa, he will say what steps, if any, have been taken by His Majesty's Government to protect His Majesty's Indian subjects in Durban from the enforcement of such a policy of racial discrimination ?

Lieut.-Colonel Amery : The Secretary of State has not received representations from South Africa on the subject of these Ordinances, but the Governor-General of the Union received petitions regarding them from various Indian Associations in Durban. The Governor-General decided, after full consideration, to assent to the Ordinances.

#### War Expenditure.

On the 10th March, Colonel Wedgwood asked the Secretary of State for India the total amount of expenditure incurred by British India on her own account and on account of the British Exchequer, respectively, in connection with the War from the beginning of hostilities to the last year for which accounts are available ; whether any committee with Indian opinion adequately represented has investigated such expenditure ; what authority has adjusted and audited the proportion of expenditure recoverable from this country ; what compensation India is being, or will be, given for the delay in adjustment of account resulting in serious loss through exchange<sup>1</sup> ; whether India will receive interest at a reasonable rate on long-delayed



payments; and what facilities he proposes to give Indians to satisfy themselves that in the adjustment of the accounts, which run into large sums of money, Indian interests have been duly safeguarded?

Mr. Montagu: Including the contribution of £100,000,000 towards the cost of the War offered by the Indian Legislative Council in 1917, and the cost of the Afghan and Frontier operations in 1919-20, the War expenditure borne by India up to 31st March, 1920, was about £127,000,000. The expenditure incurred on behalf of the British Exchequer during the same period was about £301,600,000. The expenditure has been apportioned between Imperial and Indian revenues on the basis of the Parliamentary Resolutions of 1914; the arrangements for adjustment were devised by the Government of India and the India Office, in consultation with the Imperial Departments and the Comptroller and Auditor-General in India, and Indian audit has throughout been accepted by His Majesty's Government. In these circumstances no Committee such as that suggested seems called for. I am not aware of any loss through exchange in connection with the adjustment of the accounts. There has ordinarily been no delay whatever in payment, as the Imperial Government have advanced month by month, from the commencement of the War, the approximate sums estimated by the Government of India and this Office as likely to be disbursed each month on behalf of His Majesty's Government. It is the duty of the Comptroller and Auditor-General in India and of the Auditor of the Home Accounts in England to audit the adjustments with the Imperial Government, and I have no reason to think that Indian interests have not been duly safeguarded in the matter.

#### Cotton Mills

On the 17th March Sir W. Burton asked the Secretary of State for India what was the amount of the total capital employed and the amount of the profits made by Indian cotton mills for the year 1914 and each succeeding year to 1920; and what taxes were paid by them in each of such years other than Excise duties, and differentiating between Income Tax, Super-tax or any other form of taxation?

Mr. Montagu: The latest returns of paid-up capital employed in cotton mills in British India (including debentures), so far as known, were as follows, in lakhs of rupees:

1914—15	...	...	...	2,133
1915—16	...	...	...	2,119
1916—17	...	...	...	2,148
1917—18	...	...	...	2,248
1918—19	...	...	...	2,623

3(a)



There are no official returns of the profits of cotton mills. Complete returns of the Income Tax paid during the above years by owners of cotton spinning and weaving mills are not available, but figures for 1916-17 show that 153 companies paid Rs. 10,93,579, and 381 other assesses Rs. 97,540. I have no returns showing the amounts of Super-tax or Excess Profits Duty that have been paid by cotton mills.

*HOUSE OF COMMONS—23RD MARCH 1921*

*Sandhurst Cadets*

Sir C. Yate asked the Secretary of State for India how many Sandhurst cadets have stated their wish to enter the Indian Army in their last term at the Royal Military College since the date of the Armistice: how many of these were King's India cadets; and how many Indian Army appointments were announced at the time of the entrance examinations?

Mr. Montagu: Since the date of the Armistice 98 Sandhurst Cadets have joined the Indian Army, excluding those who entered for Quetta, but were trained at Sandhurst. Sixteen of these were King's India Cadets. The entrance examinations at which these 98 Cadets entered were held in November 1917, March, July and November 1919, and at these four examinations 95 Indian Army appointments were offered. In the last passing out list, out of the first 17 in order of merit, 10 were candidates for the Indian Army of whom 4 were Quetta Cadets.

*Dr. Kitchlew and Mr. Rambhuj Dutt*

Colonel Wedgwood asked the Secretary of State for India whether, and if so, why, Dr. Kitchlew and Rambhuj Dutt Chaudry have been put in prison?

Mr. Montagu: In a telegram dated 7th March the Government of India informed me that, in consequence of violent speeches delivered at Lyallpur, Rupar and elsewhere, orders have been issued under the Defence of India Act, requiring Mr. Rambhuj Dutt and Dr. Kitchlew to abstain from attending or addressing any public meeting in the province. It is clear, therefore, that at that time these men were not in prison. I have no later information.

*Prosecutions for Sedition.*

Colonel Sir C. Yate asked how many persons had been prosecuted in India for seditious utterances in speeches or newspapers during the past three months and how many had been convicted and whether any prosecutions had been instituted for incitement to assault and riot. Mr. Montagu said that he had not the complete figures to enable him to reply fully.



**Bolshevist Agents & Gandhi**

Lieut-Colonel Sir F. Hall asked Mr. Montagu whether the terms of the trading agreement which had been entered into with Russia had been officially communicated to the Indian Government, and if he would state what action had been taken by that Government to ensure the expulsion from India of known Soviet agents.

Mr. Montagu: The answer to the first part of the Question is in the affirmative. The Government of India instituted a special organisation to deal with Bolshevik activities in India and although it would not be advisable to state what had actually been done I can assure my hon. and gallant friend that every step necessary to checkmate them had been taken, I trust, successfully.

Sir C. Yate. Is it not the fact that M. Gandhi lately stated that he would prefer this rule to British rule, and under these circumstances ought he not to be the first deported as a Soviet agent?

Mr. Montagu: I prefer to leave the maintenance of order in India to the authorities there.

**Bengal Police Grants.**

Mr. Rupert Gwynne asked Mr. Montagu whether the Bengal Legislative Council have recently reduced the grant for police expenditure in the Province by 23 lakhs, or more than one-eighth of the total grant demanded, and whether in view of the unrest throughout India steps can be taken to rectify this?

Mr. Montagu: I have no information beyond that which appeared in the Press on the 21st instant. I am inquiring as to the facts and action proposed by the Governor.

Sir C Yate: In view of the fact that Bengal has a population of 50,000,000 and only 3,000 or 4,000 troops, ought not the police of that province to be increased rather than decreased especially now that law and order are at such a discount.

Mr. Montagu: I do not think it is at a discount. I am perfectly prepared to repose the completest confidence in Lord Ronaldshay and the Government of India.

Mr. R. Gwynne: May we take it that the right hon. Gentleman will communicate with India on this matter?

Mr. Montagu: The hon. Gentleman knows that the restoration of this vote is within the power of the Governor of Bengal and I have no knowledge of the facts except what has appeared in the Press. I have, however, inquired and I will let the hon. Member know when I get the results of my communication. At the present time I prefer to leave the matter to the Governor of Bengal's discretion.



Mr. Gwynne: Are we to understand that the right hon. Gentleman gets this information of first-rate importance from the Press first and not direct from India?

Mr. Montagu: As soon as I saw the report in the paper I sent a telegram to India to ascertain the facts. That is the first step we have taken. I am perfectly convinced that there is no differences of opinion between any Member of this House and the Governor of Bengal as to the absolute necessity of maintaining a sufficient number of police in Bengal to restore order.

Mr. Gwynne: Will the right hon. Gentleman answer my question. Does he receive information of this kind first from the Press or does he get communications before those of the Press direct from India.

Mr. Montagu: The first knowledge which I had of this event which I think occurred only a day or two ago was from the Press. The matter lies within the discretion of the Governor of Bengal. I presume, in due course, I shall hear from him what action has been taken. As a matter of fact I have had no communication yet from the Government of India as to this matter and my first knowledge was derived from the Press.

Sir H. Craik: Is it not the duty of the Govt. of India to communicate to the Sec. of State for the information of this House any vital matters which ought not to be anticipated by Press reports.

Mr. Montagu: I wish my right hon. Friend would put himself in the place of the Governor of a Province. I cannot assume there is importance in a newspaper report which may relate to a perfectly simple matter. My right hon. Friend knows that the Governor has ample power under this Act. The report may relate to a matter which does not require a special communication to be made by telegram.

#### Nagpur Disturbance.

Mr. Montagu replying to Sir C. Yate said:—

I am circulating an account collected from a series of telegrams of the disturbance at Nagpur from which I am glad to think it will be seen that it was not so serious as my hon. and gallant Friend's question would indicate. It is not always I think the best way to give an accurate picture of events in India to publish each telegram relating to such matters as it is received. I recognise the importance of furnishing the public with regular information about India and have been considering the best way of achieving it. I hope that a new organisation with this object in view will shortly be working. My Noble Friend Lord Lytton is taking the matter under his charge.



Sir C. Yate : Is it not the fact that all the British population in Nagpur had to be collected in the Armoury and kept there all night for protection? Is it right that the public of this country should have to await letters like that printed in the Press this morning for information as to what is going on in India?

Mr. Montagu : The information I have circulated is collected from telegrams I have received and it does not contain an account of that kind.

### HOUSE OF COMMONS—9TH MARCH 1921

#### Army Pay and Allowances

Sir C. Yate asked the Secretary of State for India if he can now state what steps have been taken to carry into effect the recommendations in Part V of the Esher Report in regard to the improvements in the conditions of service of the personnel of the Army in India, which are so long overdue.

Mr. Montagu : As a result of the recommendations in Part V of the Esher Committee Report the following measures have now been sanctioned :—

British officers, both of the British and Indian Services will receive free forage and saddlery, an allowance of Rs. 15 per mensem for a syce, and will be able to buy chargers at concessional rates. British Service officers will cease to receive horse allowance. Indian Army officers on the introduction of the measures will be liable to have the number of authorised chargers reduced and the pay of cavalry assimilated to that of infantry as recommended in the Report. The sum of 19 lakhs has, in addition, been provided for pay concessions for British officers of the Indian Army, but it has not yet been decided how far the precise proposals in Section II of Part V of the Report will be followed.

As regards Indian officers, increases of pay, pension, family pension, and travelling allowances have been sanctioned and equipment will be issued free on promotion.

As regards Indian other ranks, improved scales of pay, good service, and good conduct pay have been approved.

The main proposals for improved family pensions have been accepted in principle, but the details are not yet settled. The same applies as regards disability pensions, both for Indian officers and other Indian ranks.

The pay of religious teachers will be raised as recommended.

A grant will be given in respect of Hindusthani clothing, but in what form has not yet been settled.

Charpoys and kit boxes will be provided free, and also free lighting.



The contract allowance system in regimental offices will be abolished. An establishment of enlisted clerks has been sanctioned, and Government will supply stationery, etc.

Seven lakhs will be provided for the improvement of Indian Army schools.

#### Army Organisation

On the 23rd March Sir W. Joynson-Hicks asked the Secretary of State for India whether he can now make his promised statement on the position of the Army in India? (See p. 36)

Mr. Montagu: The Prime Minister has decided on my recommendation to submit the military requirements of India to a Sub-Committee of the Committee of Imperial Defence. While it is obviously desirable to secure reduction in military expenditure in India as in other parts of the world, they can only be achieved if compatible with the internal and external security of India. It, therefore, appears desirable that such an investigation should take into consideration improvements in equipment, mobility and general efficiency. The Government of India had announced that they are appointing a Committee of the Viceroy's Executive Council to prepare the material to lay before the Committee of Imperial Defence.

Sir W. Joynson Hicks: Arising out of this very important statement, may I ask the Right Hon'ble Gentleman whether the late Commander-in-Chief (Sir Charles Monro) will be added to the Sub-Committee of Imperial Defence, and whether, pending the decision of the Committee of Imperial Defence, no further reductions will take place in the Indian Army?

Mr. Montagu: I can give an assurance that no further reductions will be made pending the inquiry. The first part of the question should, I think, be addressed to the Prime Minister who will appoint the Committee, but I cannot conceive that such an inquiry will proceed far with its investigation without availing itself of the opinions of the gallant soldier to whom the Hon'ble Member has referred and to whom also the Army in India owes so much.

Sir W. Joynson-Hicks: May I ask whether the Committee of Imperial Defence will have power to suggest to the Government of India—if it sees fit—that the alterations already made in the Indian Army should be cancelled?

Mr. Montagu: Certainly. What we want to arrive at is a scientific investigation of what is necessary in the present circumstances for the internal and external security of India. These are the only considerations which can govern the Indian Army.

Lieut.-Colonel Fremantle: Will the Sub-Committee of Imperial Defence have anyone on it who is qualified and able to deal with the extremely difficult question of the health of the Indian Army?



Mr. Montagu : The inquiry will deal with the strength of the Army in India. Questions as to the composition of the Committee should be addressed to the Prime Minister.

Sir C. Yate : Is it not the fact that the first action of the Reformed Council in India was to pass a resolution entailing a heavy reduction of the Indian Army and police and a curtailment of propaganda ? Is this to be allowed to proceed ?

Mr. Montagu : I would prefer to answer that question on a specific reference to the particular resolution. I do not know what the hon'ble and gallant Member has in his mind. The Legislative Assembly of India has passed a resolution on the Esher Report, but the best evidence of its determination to provide for the defence of the country is to be found in the alacrity with which it has passed the heavy Budget provision necessary for the Army.

Sir C. Yate : May I —

Mr. Speaker : Notice had better be given of any further questions.

#### The Army Sub-Committee

Subsequently Sir W. Joynson-Hicks asked the Prime Minister to state the composition of the Sub-Committee of Imperial Defence to report upon the constitution and strength of the Army in India.

Mr. Chamberlain : A Sub-Committee of the Committee of Imperial Defence has not been specially appointed to consider the constitution and strength of the Army in India.

Sir W. Joynson-Hicks : Did we not have a pledge from the Secretary of State for India, and was I not asked to put this question to the Prime Minister ?

Mr. Chamberlain : I am afraid I am not in a position to make an explanation. This matter has not come under the consideration of the Imperial Defence Committee, and up to the present no Sub-Committee has been appointed, and I cannot definitely say whether a Sub-Committee will be appointed. It may be that a Committee of the Imperial Defence Committee will consider it.

Lieut.-Colonel Croft : Will the Cabinet consider the whole question before proceeding to the disbandment of regiments of the Regular Army in this country and the great reduction of regiments in India ? Before any final steps are taken will they consider the question as a whole ?

Mr. Chamberlain : The Cabinet does consider the defence of the Empire as a whole.

Lieut.-Colonel Croft : Has the question been before the Defence Committee ?



Mr. Chamberlain : I should not like to say without notice. I think not by the Defence Committee. I think it was considered by the Cabinet as a whole.

**Lala Harkishan Lal Again**

Mr. R. Gwynne asked the Secretary of State for India if Mr. Harkishan Lal and others, convicted of conspiracy to wage war and sentenced to transportation for life by three Judges, appealed against the convictions and sentences to the Privy Council ; whether they were pardoned by the executive while their appeals were pending, though similar appeals from others had been dismissed by the Privy Council ; and, if so, what was the special reason why these appeals should not have been allowed to run their course ?

Mr. Montagu : The answer to the first two parts of the question is in the affirmative, though it is not the case, as the question implies, that the grant or refusal of pardons was determined by probabilities of the justice or legality of the convictions. As regards the last part, I do not know the reasons which have actuated appellants who have decided not to prosecute their appeals.

Mr. Gwynne : Will the Right Hon. Gentleman say why these cases were taken out of the usual course ?

Mr. Montagu : I do not think they were taken out of the ordinary course. There was an appeal pending which the appellant did not choose to prosecute, and meanwhile the Viceroy granted a pardon to certain people.

Sir C. Yate : Was it not rather that an amnesty was granted before the appeal came on ?

Mr. Montagu : Yes, I think so. I surmise that this is what happened : One of these appeals founded on the question of the legality of the Courts which were set up in India was dismissed by the Privy Council—not on the question of what happened, but on the question of legality—and therefore I presume that the other appellants did not think it worth while to go on.

Mr. Gwynne : Is the Right Hon. Gentleman aware that when the new rules in regard to the Legislative Councils were before the House he told me that none of the persons who were convicted and sentenced would be eligible for them for five years, and yet, in spite of that, one of the convicted persons has been appointed a Minister ?

Mr. Montagu : I think the Hon. Member will find that all the information I have given to the House is accurate.

Mr. Gwynne : But—

Mr. Speaker : Further questions must be put down.



## Indian Emergency Committee, London

Sir Thomas Bennett had given notice of the following question to be put on the 23rd March, but as he could not present himself on that day, a point of order was raised by Sir W. Joynson-Hicks. —To ask the Secretary of State for India if he has received information from India concerning a resolution reported to have been passed by all the non-official European members of the Council of State and the Legislative Assembly objecting to the formation in London of an Indian Emergency Committee as unnecessary and calculated to create prejudice and ill feeling ; and if he will furnish the House with a copy of the resolution as well as with reports of the speeches lately delivered in India by His Royal Highness the Duke of Connaught, in which appeals were made to all classes of the population to join in burying recent controversies ?

Sir W. Joynson-Hicks : Arising out of this question, may I ask your guidance, Mr. Speaker, as to whether it is in order for an Hon. Member to put a question down reflecting, as it does, on a certain Committee, which consists of two Members of the other House, and one Member of this House, myself, and not appear in his place to ask it ? I want to ask whether the question should not be deferred and not answered among the written answers until such time as the Hon. Member chooses to come to the House and put it personally, so that I may put a supplementary question, or give a personal explanation ?

Mr. Speaker : The Hon. Member who put down the question may have been detained by an accident by flood or field.

Sir W. Joynson-Hicks : With great deference, Sir, and in answer to that, may I ask whether a written answer may be postponed until the Hon. Member who, of course, as you say, may have been detained by flood or field, can come down and put the question in open House so that it may be dealt with ? As you, Sir, realise, the House adjourns to-morrow, and answers to unanswered questions—and I do not know what this answer may be—may be printed and contain reflection upon the Members of this Committee to which we have no possibility of replying ?

Mr. Speaker : The Hon. Member is asking me to over-rule the Order of the House, which is to the effect that if a question is not asked the answer shall be circulated on the following day. Perhaps the best plan would be for the Hon. Gentleman to see the answer, and then, if he is not satisfied, he can make a personal explanation to-morrow, or he can put a question to-morrow. I would accept a question on the subject.

Sir W. Joynson-Hicks : Thank you, Sir.



*Following is the answer to the question :*

Mr. Montagu : No, Sir, but I have seen a message from the non-official members of the Indian Legislature in the Press. I will place a copy of the proceedings at the opening of the Indian Legislature including His Royal Highness' speech in the Library.

HOUSE OF COMMONS—5—6TH APRIL 1921

Government Service (Contracts)

On 5th April Mr. T. Griffiths asked the Sec. of State for India whether under the new Reform Act now in force, whereby absolute control over finance and appointments over a wide area of Govt. is given to the various Indian Provincial Councils and their elective majorities, a British-born subject can now sue for breach of contract for personal service in India ; if so, whom he should sue and where, for a breach in India or for a breach in this country ; whether such subject will now have the right to know the medical grounds, should the India Office Medical Board certify him incapacitated for further service in India ; whether such contracts will be still deemed subject to the will and pleasure of the Crown ; what authority or powers over such contract is it contemplated transferring to the independent high commissioners who will represent the various Indian Governments ; and whether such actions as Dr. Denning recently attempted to bring will be outside the British Government ?

Mr. Montagu : As regards the first part of the question, the new Act in no way affects the pre-existing right of a British-born subject to sue for breach of contract for personal service in India. As regards the second part, contracts for service under the Government of India are made with "the Secretary of State in Council." Such subject would presumably sue the Secretary of State in Council in respect of a breach either in India or in this country. The action could be brought in this country or in India according to circumstances. As regards the third part, the position will remain unaltered, in so far as an officer certified by the India Office Medical Board to be incapacitated for further service in India is not regarded as necessarily entitled to know the medical grounds on which such a certificate is given. As regards the fourth part such contracts are not subject to the will and pleasure of the Crown, except that, the Crown has in law the right to dispense with the service of its officers, and it would not be in the power of the Secretary of State in Council or of a Government in India to alter the law in this respect or to limit this right of the Crown when entering into such contracts. As regards the fifth part, the Secretary of State in Council will remain the authority for the recruitment of those services which are now known as "All India Services"—such



as the Indian Civil Service, the superior Police Service, the Indian Educational service, and so forth, and consequently will remain the contracting party for these. Recruitment in this country of services, the members of which are now to be appointed and controlled by Provincial Governments, will probably be made over for the most part to the High Commissioner for India, and he would necessarily, subject to instructions he receives from the authorities in India for whom he is acting, have power to contract on their behalf, but in the name of the Secretary of State in Council. The answer to the last part of the question, if I correctly understand the hon. Member's meaning, is therefore that it will still be open to officers like Dr. Denning to sue the Secretary of State in Council.

**Army.**

On April 6th the Esher recommendations were again the subject matter of an interpellation. Sir J. D. Rees asked the Secretary of State for India whether the main and fundamental recommendations of the Esher Committee have yet come before His Majesty's Government after consideration by himself in Council?

Mr. Montagu: The answer is in the negative.

Sir C. Yate asked the Secretary of State for India whether the Army in India has already been reduced by 6,000 British and 7,500 Indian troops under pre-War strength; and, if so, whether the safety of carrying out such large reductions in the Army in the face of the agitation and unrest now rampant in India has been considered?

Mr. Montagu: The present proposals of the Government of India, if they are eventually sanctioned, will have the effect of reducing the fighting units of the Army in India approximately to the extent mentioned by my hon. and gallant Friend. The proposals have been made by the Government of India on the recommendation of the Commander-in-Chief, after full consideration of all the factors in the situation, of which not the least important is the improved mobility and equipment of the Army in such matters, for instance, as the establishment of the Air Force and the provision of armoured cars, which to a large extent compensate for the reduction in personnel. As my hon. and gallant Friend is aware, the whole question is to be considered by a Sub-Committee of the Committee of Imperial Defence.

Sir C. Yate. Are we to understand that these reductions have already been carried out?

Mr. Montagu: It is not accurate to say that the reduction in the British force has been sanctioned; what has occurred is that a considerable number of British force in India left India for War purposes and have not yet returned.



Colonel Wedgwood : Can the right hon. Gentleman say whether the agitation and unrest now rampant in India would not be more speedily reduced by cutting down expenditure rather than by the keeping up of unnecessary expenditure at a time of such great economic trouble in India?

Mr. Montagu : I do not think that anyone wants unnecessary expenditure, but what we are determined to see is that the armed forces of the Crown in India are adequate for the protection of India.

#### Bolshevik Rouble Notes.

Sir J. D. Rees asked the Sec. of State for India whether the possession of Bolshevik money has been made illegal in British India?

Mr. Montagu : The possession of any rouble notes in India was made illegal by the ordinance in 1919 and 1920, and the operation of the ordinance was continued by Act No. XXX of the latter year.

Sir J. D. Rees : Is the Hon. Gentleman in a position to recommend the Government at home to pass a like ordinance of law?

Lieut. Commander Kenworthy : In view of the trading agreement which has been signed with Russia, will this Regulation be released in regard to *bona fide* merchants trading with Russia?

Mr. Montagu : I think that would depend upon whether we have evidence of a cessation of Bolshevik propaganda in India.

#### Afghanistan Negotiations

Sir C. Yate asked the Secretary of State for India if he can give any information regarding the negotiations with Afghanistan now being carried on at Kabul.

Mr. Montagu : The negotiations, which have as their object the conclusion of a treaty of friendship, are proceeding. I am not at present in a position to make any further statement.

#### Wireless Telegraphy.

Sir C. Yate asked the Secretary of State for India : Who is the present Director of Wireless Telegraphy in India ; whether the wireless expert to the Government of India originally sent out from home, has since resigned, on appointment as Director of the Marconi Company ; whether the wireless system in India required for military purposes is complete ; if not, what steps are being taken to make it so ; and whether the complaints in the Indian Press as to the unsatisfactory conditions of commercial wireless are justified?

Mr. Montagu : Colonel A. Simpson who was appointed Director of Wireless Telegraphy in India in 1919, resigned last year, and subsequently joined the Board of the Marconi Company. In his place I have appointed Commander R. L. Nicholson, D. S. O. late R. N., who is leaving for India next week. So far as I am aware, the wireless system in India required for military purposes is com-



plete as regards internal communication. The complaint as to the unsatisfactory condition of commercial wireless, to which the hon. and gallant Member probably refers, is too vague for me to say whether it is justified.

**Burma (Shikho.)**

Colonel Wedgwood asked the Secretary of State for India whether he will call for a Report on the habit of shikho as performed in Burma, finding out what is thought of this custom both by British officials and educated Burmese, with a view to introducing into Burma methods less redolent of an oriental theocratic monarchy of the pre-Christian era?

Mr. Montagu: The custom of shikho, according to the best of my information, is an observance or mark of respect incidental to religion as well as to etiquette among Burmans. It would be contrary to the policy definitely laid down in 1858, and consistently followed since, for the Government to attempt to change the usage.

Colonel Wedgwood: Is the Right Hon. Gentleman aware that there is a number of British officials in Burma who are so disgusted with the habit that they will not allow it to be done to them?

Mr. Montagu: No. I am not aware of that.

Colonel Wedgwood: Will the right hon. Gentleman make inquiries about this custom which is causing great unrest in Burma at the present time?

Mr. Montagu: I will bring my hon. and gallant Friend's question to the notice of the Government of India.

**Riots and Casualties.**

Captain Viscount Curzon asked the Secretary of State for India: How many riots and disturbances have occurred in India since the 1st of March, what number of casualties have resulted to the civil population and to the servants of the Crown; how many of such outbreaks have been due to the influence of Gandhi or his policy; in cases where the outbreaks were not due to his influence or action, if he will state what causes they were due to; and whether the rebels tried subsequently to take advantage of the situation?

Mr. Montagu: I have received reports of ten riots and disturbances during March. In six of them, there were no casualties reported. In one tea garden riot some persons attacked were injured, not seriously; and in a faction fight in Southern India one person was killed. In the remaining two cases 13 rioters were killed and 25 wounded by police fire, and some police were injured, not seriously, the number not being given. It is very difficult to assign one definite cause, for there are usually contributing factors, but three of the disturbances were of the nature of labor troubles, and three of religion dispute; one arose from agrarian grievances,



and in one prisoners broke out from jail. The other two were brought on by a strong agitation against liquor-shops, which is ascribed in part to a genuine temperance movement and in part to the general Non-co-operation programme. I have no doubt that attempts were made by ill-disposed persons to take advantage of the situation.

Sir G. Yate: Is it not a fact that most of these riots were owing to political agitators and the agitation got up by them?

Mr. Montagu: I do not think that my hon. and gallant Friend would ascribe the disturbances to anything but agrarian causes.

Colonel Wedgwood: Will the right hon. Gentleman get, or has he got, any report on the shooting at Majpur that he can communicate to the House?

Mr. Montagu: I think—I speak from memory, because my hon. and gallant Friend has not given me notice of the question—that communiques, based on every telegram I have received, have already been published; but if there is anything further, I will communicate with the hon. Member.

Sir C. Yate: Were not the Rae Bareli riots primarily due to political agitators?

Mr. Montagu: I think I am right in saying that the Rae Bareli riots were due entirely to agrarian causes.

#### The Parliamentary Joint Committee.

The first Report of the Joint Committee on Indian Affairs was published in April. The members were mainly engaged up to that time in determining their procedure.

It was resolved by the Committee to examine and report upon any Bill or matter referred to them specifically by Parliament. Also to invite the Secretary of State for India to communicate to the Committee, as occasion may arise, any matter or information upon which he or they may think it desirable that they should make a Report to Parliament. They will also consider and report on any matter relating to Indian affairs brought to the notice of the Committee through the Chairman (Lord Islington) or by any of its members or by the Secretary of State. No subject may be brought forward, however, without previous notice having been given, and a Report will not be made to Parliament unless the matter was one of sufficient public importance to justify it, and provided that the consideration of such matter by the Committee was not opposed to the public interest—upon which point the Committee itself will be the judge. The Committee will call for such oral or documentary evidence as from time to time may be required, and will confidentially inform the Secretary of State for India, and the head of any other Government Department concerned, the subject matter proposed for discussion,



## Mohammed Ali's Speech.

Colonel Sir Charles Yate asked the Secretary of State for India if his attention has been called to the speech delivered by the agitator Mohammed Ali at Madras reported in the Press of the 11th April in which he is stated to have said that he differed from Gandhi in that he favoured violence and that the English came to India like themselves and should be driven out like thieves, and what steps are being taken against the speaker, and also to prevent the repetition and dissemination of seditious utterances like those tending to foment insurrection in India.

Mr. Montagu in reply stated that he had been informed by telegram that the Government of India were giving their attention to the statement by Muhammad Ali at Madras that the Ali brothers would help Afghanistan if she came to India to fight the British Govt.

## The Services.

On May 5th, replying to a question of Mr. Glyn, Mr. Montagu stated that on January 1st there were 767 permanently commissioned officers in the Indian Medical Service of whom 638 were British-born and 129 Indians compared with 722 British and 48 Indians in 1914. The position of British-born officers who joined the service before the war was in no way jeopardised by admission of officers during the war. Every effort was being made to fill up vacancies available with Europeans. The condition with regard to pay, leave and pensions had recently been considerably improved but he was advised that in view of the great shortage of medical men owing to war, it would be a year before the medical schools in Britain would be able to turn out anything like the normal numbers of qualified men of the standard required for the Indian Medical Service.

On May 10th, replying to Col. Yate, Mr. Montagu stated that up to April 1st the Government of India had received one application for permission to retire on a proportionate pension under the recommendation made in clause 36 of the report of the Joint Committee on the Government of India Bill. The Government of India had informed the applicant that he could not support his request as it was evident that his desire to retire had been long standing and was based mainly upon reasons which were quite unconnected with those discussed by the Joint Committee.

## Pensions to Punjab Heroes.

On 24th May Colonel Wedgwood asked the Sec. of State for India how much is now contributed annually from the Indian Budget to each of the following: General Dyer, Sir Michael O'Dwyer, Colonel Frank Johnson, and Mr. Bosworth Smith; and will he



approach the Chancellor of the Exchequer with a view to getting these charges transferred from the Indian to the British Budget?

Mr. Montagu :—The figures are as follows—Sir Michael O'Dwyer and Mr. Bosworth Smith, £4,000 and 900 respectively, of which a considerable portion represents funds contributed by the officers themselves; General Dyer, £900, of which approximately one-twelfth will be debitable, on adjustment, to British revenues on account of a period of service out of India. Colonel Johnson draws no pension from Indian revenues. The answer to the last part of the question is in the negative.

#### Auxiliary Force

On May 31st, replying to Col. Yate, Mr. Montagu stated that 23,325 men had been attested in the Auxiliary force of India up to April 30th, excluding men who had been enrolled but had not yet been attested. \*The maximum strength attained by the Indian Defence Force was 33,451 in October 1920. He did not propose to take any steps to bring the Auxiliary Force up to the numbers of the Defence Force. The matter was entirely in the hands of the Government of India. If the Government of India at any moment thought that voluntary enlistment was insufficient they might make recommendations for an alternative.

#### An Individual Called Gandhi!

On May 31st Viscount Curzon asked the Sec. of State for India how many times the Viceroy of India has officially received an individual called Gandhi; and whether he can make any statement as to the result of the interviews?

Mr. Montagu :—The Viceroy has received Mr. Gandhi several times privately. The Viceroy will no doubt consider what statement, if any, could usefully be made in regard to these interviews.

On 7th June Captain Viscount Curzon again asked the Sec. of State for India whether an individual called Gandhi has stated publicly that the Viceroy of India is probably sympathetic to the Non-Co-operation movement, he can now give any account of the matter discussed at the recent interview with the individual alluded to?

Mr. Montagu :—I have seen no such statement. It is difficult to believe it was ever made and impossible to believe that anyone would believe it if made. The answer to the last part of the question is that I have nothing to add to the answer I gave last week.

Viscount Curzon :—In view of the fact that there is in most of the English Press accounts of these interviews, could the Right Hon. Gentleman not possibly give some authoritative account of the



discussions that actually took place so as to put an end to the rumours?

Mr. Montagu:—I do not think so. When the Governor-General accords an interview for informal discussion, it is not customary to keep a record or to publish an account of what takes place. As I have said, if His Excellency desires to publish any account of these discussions, he will do so.

Viscount Curzon:—Has the right hon. Gentleman not noticed that the man alluded to is now going about giving what purports to be an account of these interviews, and would it not be much better to state exactly what did take place than allow the account to be one-sided and come from unofficial sources?

Mr. Montagu: I do not know to what the Noble Lord refers. On the contrary I have heard that Mr. Gandhi is honourably fulfilling the conditions under which these private interviews took place.

#### Refusal to grant Govt. demand

On June 9th Sir Charles Yate asked what are the steps that have been taken by the Punjab and other Govts. in India where the Council have refused to sanction the Budget grant for the Govt's. Publicity department?

Mr. Montagu: The only provinces in which the Councils have refused provision for publicity departments are Bengal and the Punjab. In Bengal, according to my information, the work was only in the experimental stage; in that province the Press is active and all shades of opinion are represented in it. I presume that the procedure as to communiques and information to the Press is now as it was before the experiment was started. In the Punjab the provision was disallowed only on the 12th March and a week later the Legislative Council voted a sum sufficient to wind up the Publicity Board with due notice to those employed in it. The Government was itself issuing communiques.

#### Deportation of Mr. C. F. Andrews

On June 14th Sir Frederick Hall, a typical coercionist, demanded the deportation and prosecution of the Rev. C. F. Andrews for alleged seditious speeches, presumably because of his strong utterances on the Chandpur Gurkha outrage. He wanted "this so-called gentleman" (referring to Mr. Andrews) to be brought over to England and tried for sedition. Mr. Montagu in reply pointed out that the proper authorities to look after sedition in India were in India.

#### Disturbances in Bengal, Assam, etc.

On June 27-28th. questions were asked about the Chandpur and Assam Coolies. Mr. Montagu laid on the table the Bengal Govt.



Communique. Mr. A. Shaw asked the Sec. of State for India whether he can give the House any information regarding the recent disturbances in Bengal and Assam?

Colonel Wedgwood:—Are any arrangements being made to facilitate the return of these coolies to their homes, or is it being left to chance?

Mr. Montagu:—My recollection is that the government have not felt it their duty to give free passages to the coolies. I will send a copy of the communique to my hon. and gallant Friend.

Colonel Wedgwood:—Are we to understand that the Government of India are to leave these people to die of cholera and starvation on the roadside?

Mr. Montagu:—Every conceivable step has been taken to safeguard the interests of these poor deluded coolies; but it would obviously be an unwise step to establish the precedent that when a cooly breaks his contract and leaves his work owing to gross mis-representation of the state of affairs the liability should be put upon the Government of India.

Lieut. Commander Kenworthy:—What about the Government itself? Sir J. D. Rees:—Would it not be more useful to facilitate their return to their work rather than to their homes? Is any provision for that made by the Government?

Mr. Montagu:—If my hon. Friend reads the communique of the Government of Bengal he will see that the Government have acted with great humanity, and have done everything possible in the circumstances. If, after reading the communique, my hon. Friend desires to put any other questions, I should be only too happy to answer them.

#### Newspapers (Gwalior State)

On 21st June Sir C. Yate asked the Sec. of State for India whether his attention has been called to the statement in the "Leader" Newspaper, of Allahabad, that the Gwalior State has prohibited the sale and distribution within the Territory of His Highness the Maharaja of the following newspapers: the "Kesari", "Amrita Bazar Patrika", "Maharatta", "Bombay Chronicle", "Independent," "Pratap," "Rajasthan," and "Sahasa"; and, considering that these papers are published in British India, will he state what action has been taken by the Govt. of India against these newspapers in support of the loyal action of His Highness the Maharaja; whether the Govt. of India has accepted the resolution of the Legislative Assembly to appoint a Committee to examine the Indian Press Act of 1910 and to recommend modifications of the existing law in regard to liberty of speech and writing;



and, if so, will the Press Act Committee consider the views of Indian Princes in the matter of granting further freedom to the Press in India?

Mr. Montagu: I have seen a reference in the Indian Newspapers to the Gwalior prohibition. The Governments in British India have not, to my knowledge, taken any steps recently against the papers named. The Committee appointed to consider the Press laws finished its sittings, and is on the point of presenting its report. The Committee took into consideration the connection between the Press laws and the Native States.

### HOUSE OF COMMONS—12 JULY 1921

#### Cotton Goods (Import Duties)

On 12th July Mr. Waddington again took up the question of the Cotton duties. He asked the Sec. of State for India whether he is aware of the dividends paid by Indian Cotton Mills as exemplified by Sholapore Company, 1000 per cent per annum, Lakshmi Company and Maneckji Company, each 500 per cent., Morarji Goculdas Company and Swadeshi Company, each 350 per cent., Kohinoor Company, 375 per cent., Madras United, 300 per cent., and many others from 100 per cent. to 300 per cent; whether, as these dividends were declared shortly before the Indian Budget was introduced, the Indian Govt. considered the large profits when forming schemes to raise revenue and, if so, what additional taxes have been imposed upon and what additional revenue is expected from Cotton Mills Coy.; and, if such revenue is not in fair proportion to the increases in import duties, will he represent to the Indian Govt. the need of reconsidering the import duties on Cotton goods in view of such large sources of internal revenue being available?

Mr. Montagu: I am aware that the Indian Cotton Mills have recently paid large dividends, but the figures given by my hon. Friend appear to be greatly in excess of those published in the press. The only additional tax specifically imposed on the Cotton Mills Companies in connection with the recent Indian Budget lay in the withdrawal of the concession under which Machinery and Stores imported for use in a Cotton Spinning or Weaving Mill were admitted free of duty. The additional revenue anticipated from the change is 10 lakhs. With regard to the last part of the question, I can only refer my hon. Friend to the reply I gave on the 23rd March to a deputation from Lancashire regarding the Indian Cotton duties.

Captain Gee: Can the right hon. Gentleman say whether the figures given by the hon. Member, though they may be in excess



of the figures published in the British Press, are correct from the official accounts of the companies concerned.

Mr. Montagu : I am informed that they are greatly in excess of any figures that we have.

Mr. Waddington : Is the right hon. Gentleman aware that he can get confirmation of the figures from the "Times of India" in any issue for the last two months, and that these figures are published and are available for the information of anybody connected with the India office ; and if these figures are justified, and considering that the question of the Indian Import Duties was purely one of revenue and not of protection for India, is it not desirable that these duties should be considered and that the burden should be placed on the available revenues in India ?

Mr. Montagu : I will investigate the figures further, but I do not think they affect the principle laid down, after discussion by a Committee of this House, that the Govt. of India should have fiscal autonomy.

Mr. W. Thorne : Is it not possible for the firms to pay these dividends in consequence of the low wages paid to textile workers and the long hours worked ?

Mr. Speaker : Any further questions must be put on the paper.

#### The Civil Service

Sir Charles Oman asked the Secretary of State for India whether he has received a memorial sent by telegram to him by the Indian Civil Service Central Association, representing a large majority of the officers of the Indian Civil Service now serving in British India ; whether the said memorial sets forth their profound dissatisfaction with the increasing difficulties of the public Services since the passing of the Govt. of India Act ; and what reply he has given to the memorialists, in view of the personal responsibility to them under his pledges given at the time of the passing of that Act ?

Mr. Montagu : I have received the telegram referred to and will send a copy to the hon. Member. I think this will be a better plan than commenting on his description of it in the second part of the question. The Govt. of India are about to issue a comprehensive resolution dealing with the whole question of the pay of the all-India Services. The substance of my reply to the memorialists will be indicated in the Resolution, which I would ask the hon. Member to await.



(See page 129 for the last despatch on the subject by Mr. Montagu).

Sir C. Oman : Is the right hon. Gentleman aware that I have got a copy, and does he consider that the increasing difficulties of the public services set forth by the gentleman in question in this telegram do or do not exist ?

Mr. Montagu : I am anxious to avoid disputation as to the meaning of the telegram. The memorialists refer to a passage in the Montagu-Chelmsford Report. I have nothing to withdraw from that.

Sir W. Pearse : Are the salaries and allowances sufficient to meet the increases in the cost of living, and is it not rather the financial question that causes dissatisfaction than the new situation in regard to the Govt. of India ?

Mr. Montagu : I think there is a good deal of economic dissatisfaction.

Sir C. Yate : Can the right hon. Gentleman say on what date he will be able to give us the Govt. of India Resolution ?

Mr. Montagu : I am afraid I cannot. It is a matter of practice and precedent that any communication must be made through the Government of India.

#### Public Services

The matter was not left to rest there. A good deal of ironical remarks was made as to the 'Montagu reforms', obviously to put the Secretary of State out of countenance. Sir W. Joynson-Hicks asked the Secretary of State for India whether he has had any report from India as to the growth of bureaucracy since the institution of Montagu-Chelmsford Reforms ; and whether he can give any estimate as to the additional cost of governing the country incurred in consequence of such increase in officials ?

Mr. Montagu :—I do not follow the first part of my hon. Friend's question. I do not understand how the scheme of Government instituted by the Government of India Act to which this House assented in 1919 could have led to a growth of bureaucracy. As to the cost of that scheme, I will certainly endeavour to furnish the House with a statement.

Sir W. Joynson-Hicks :—Does not the question say "since" and not "in consequence of" ?

Mr. Montagu : I find it difficult to understand how it is possible that a measure for the institution of a democratic form of government in India can possibly have led to a growth of bureaucracy.



## The N-C-O. Movement

Captain Viscount Curzon asked the Sec. of State for India whether he can make any statement as to the activities of Gandhi and the Ali Brothers ; and whether any disturbances have arisen owing to the direct or indirect activities of these individuals since they were received by the Viceroy ?

Mr. Montagu : I do not think there is any detailed statement that I could make in reply to the first part of the question. The Government of India have not indicated to me that in their opinion the undertaking to refrain from encouragement to violence have been disregarded since it was given. As regards the last part of the question, disturbances have occurred since the Viceroy accorded an interview to Mr. Gandhi. The reports of these have been communicated to the Press immediately on receipt from India. There is nothing in the reports to show that the outbreaks were directly attributable to the three persons mentioned.

## HOUSE OF COMMONS—18TH JULY 1921

## The Strikes in Madras.

The Madras Mile riots of June-July 1921 when the Karnatic and Buckingham Mills locked out their men to break their newly started Union and had the support of the Governor, Lord Willingdon, were the subject of a series of questions.

Colonel Wedgwood asked the Secretary of State for India whether he had any news of the Madras strikes : whether the Government have facilitated in any way the formation of an Adi-Dravidian trades union or assisted the Adi-Dravidians to break away from their comrades ; whether the strike leaders have been threatened with internment ; and whether, in view of the serious position, he will recommend the immediate calling together of the Legislative Council of Madras ?

Mr. Parker replied in the place of Mr. Montagu who was absent :— My right hon. friend will circulate in the Official Report an account of the Madras strikes to supplement from his latest information the details which have already appeared in the Press. As regards the second and third parts of the question, my right hon. friend has no information but is making inquiries. As regards the last part, my right hon. friend understands that Lord Willingdon is himself dealing with the case, and he thinks that my hon. and gallant Friend will share his confidence that His Excellency will take whatever action is likely to prove helpful.

The following is the information referred to :



On the 29th June the huts of non-caste mill workers in Madras were set fire to by caste strikers, and the police and members of the fire brigade were assaulted by the strikers. On the 30th June further incendiarism occurred in the same neighbourhood, and both the police and the fire brigade were more seriously attacked. The mob was dispersed by bayonet charges; no loss of life reported to me. The total number of huts burnt was 92.

On the 2nd July, the Anglo-Indian Foreman of the Buckingham Mills was attacked by 40 Mohammedans and Hindus near the mill, was knocked off his bicycle and badly beaten. He was severely wounded in the body, sustained a knife cut in the head, and was left unconscious. Subsequently he made his way to the police station. He has not found it possible to identify his assailants. Two shots were fired by an unseen person at a police patrol which was sent out when the occurrence was reported.

On the 3rd July the Mohammedan driver of the manager of the mills was assaulted by Mohammedans and was chased from the manager's compound to his verandah where three toes were cut off and his fingers were injured by a knife wound. A police officer discovered him walking in a dazed condition. He is now being detained in hospital.

#### Reverse Council Drafts.

Mr. Montagu circulated with the Parliamentary papers (in reply to a question in the House of Commons) an elaborate defence of his policy in regard to the Reverse Councils. Colonel Hurst had asked whether the loss caused to the Indian Treasury on reverse council bills in 1919-20 had been estimated by the Finance Minister in India at £17,500,000; why reverse bills were not sold by competitive tender but allotted to favoured groups of financiers; whether the effect of this policy had been to enrich the financiers in question by £29,000,000 and to contribute materially to the present fall of the exchange; and whether the Secretary of State would take steps to fix the responsibility for these disasters?

Mr. Montagu:—I presume my hon. and gallant friend is referring to the statement in the Indian Finance Member's Budget speech that a loss of 17 crores resulted in 1920—21 from the realisation of sterling securities in the paper currency reserve to meet reverse councils.

The sale of reverse councils was not however the real cause of this loss, which would have been incurred whether they had been sold or not, in consequence of the decision based on the Currency Committee's Report that the sterling securities in the Paper Currency Reserve originally valued on a 1s. 4d. basis should be revalued on a 2s. basis. The loss resulting from the sale of reverse councils at rates other than 2s. after the adoption of the Currency Commission's recommendations in February 1920 is about 7 three-fourth crores. The policy of selling reverse drafts at fixed rates based on 2s. gold and not on the basis of competitive tender was adopted in accordance with the recommendations in paragraph 62 of the Currency



Committee's Report, though at a later stage it was considered expedient to base the sales on 2s. sterling which was done with effect from 24th June to 28th September 1920, when the sales were discontinued. I do not understand the allegation that reverse drafts were only allotted to favoured groups of financiers, or the figure cited in clause 3 of the question. While I deplore the failure so far to make the Currency Committee's policy effective, I would remind my hon. friend of the abnormal situation prevailing last year which resulted in an adverse balance of trade against India exceeding 75 crores. I am unable to accept the view that the sale of reverse drafts has contributed materially to the present fall in exchange; indeed it would be only natural to infer that the sales which in 1920 aggregated £55,000,000 sterling must have tended substantially to check the fall. I can assure my hon. friend that the question of Indian Exchange is a matter of constant watchfulness by myself and the Government of India.

#### HOUSE OF COMMONS—19TH JULY 1921

##### Aligarh Disturbances.

On July 19th Sir J. D. Rees asked the Secretary of State for India whether he can make any statement regarding disturbances reported to have occurred at Aligarh?

Mr. Montagu: I will circulate in the Official Report the information I have received about these disturbances.

The following is the information:—

I communicated to the Press on 6th July the first details of these occurrences which I received that day. I received on the 14th a further report, which, though issued to the Press that evening, came too late to secure general publication. It appears that the main facts are as follows: On the 5th July a political agitator named Malkhan Singh was on trial at the Magistrate's Court, Aligarh. A crowd composed of towns-people and villagers had collected outside the Court, probably originally intending to make a demonstration. But, excited by agitators and by the rumour that another individual who was seen to enter the Court had been arrested, the crowd endeavoured to rush the Court. This was prevented by the police, who, after two warnings, used their batons. The crowd then moved off, intending to attack the bungalow of the reserve police inspector, which is some distance away. This was frustrated, and meanwhile judgment appears to have been pronounced convicting Malkhan Singh.

Later on a mob attacked and burned certain buildings in the



police quarters. One of the buildings attacked was the Treasury, the armed guard on which was compelled to fire. The Magistrate visited the Non-Co-operators' headquarters in the evening, and warned them that any further disturbance would be severely repressed—a warning which had the desired effect. Disturbances had entirely ceased before reinforcements of British and Indian troops arrived from Agra.

It seems quite clear that the attacks in the City were directed mainly against the police. No attacks were made on the house of Europeans. Thirty arrests were made—chiefly rioters caught red-handed in the police headquarters and persons with gunshot wounds. One constable was unfortunately killed and three dangerously wounded. It is not clear from my information whether any rioters were killed, but a number were wounded. The Mahomedan University was not affected, and, so far as is known, no students took part in the disturbances.

#### HOUSE OF COMMONS—9TH AUGUST 1921

##### Bonfire of British Cloth

Captain Viscount Curzon asked the Sec. of State for India whether a Mr. Gandhi recently organised a bonfire of British-made clothing in Bombay; what was his object; whether a meeting was subsequently held; how many people were present; and who were the speakers?

Mr. Montagu: I gather that a bonfire was made of imported cloth in Bombay on 1st August. I have received as yet no official account of the occurrences.

Viscount Curzon: Can the right hon. Gentleman answer the latter part of the question: whether a meeting was held and who were the speakers?

Mr. Montagu: I have no account except what has appeared in the newspapers.

Viscount Curzon: May we take it that the accounts in the newspapers are substantially correct, and, if so, how are the Ali Brothers carrying out the undertaking given to the Viceroy?

Mr. Speaker: That is a separate question.

##### Reverse Council Bills

Lieut. Colonel Hurst asked the Sec. of State for India whether he is aware that the loss in the sale of reverse council bills has so far amounted to 35 crores on transactions of 82 and half crores (£55,000,000); why bills to this extent were sold without public competitive tender; whether he is aware that the council rate of pence per rupee exceeded the market rate by several pence and



thus greatly enriched persons to whom the council bills were allotted; whether he is aware that Indian importers now refuse to meet bills drawn by Manchester merchants at current rate of exchange and purport to justify such refusal on these grounds; and if he will try to fix the responsibility for these financial errors?

Mr. Montagu: The 35 crores mentioned in the first part of the question represents approximately the difference between the rupee equivalent of the sterling draft sold, taking exchange at 15 rupees to the pound, and rupee receipts from the sales. For the reason given in my reply of the 18th July, the sum cannot be regarded as loss due to the sale of reverse drafts, and it must also be remembered that in the period prior to the sales, remittances from India to England on Government account have been effected at rates of exchange considerably higher than 1s. 4d., these, in fact, ranging up to 2s. 4d. As regards the second and third part of the question, the system of sale was based, as stated in my reply on the 18th July, on the recommendations of the currency committee. During the period of the sales differences between the market rate of exchange and the rate at which the drafts were offered would have enabled allottees of the drafts to dispose of their exchange at a profit. As regards part 4 of the question, I am sending to the hon. and gallant Member a copy of the reply I gave to the hon. Member for Keighley on the 16th March.

Colonel Wedgwood: Can the right hon. Gentleman say whether the India Office has any statistics showing who made profits by re-selling these bills, and to what extent profits were made?

Mr. Montagu: It is very difficult to ascertain.

Colonel Wedgwood: I suppose it is known to whom the reverse bills were sold in the first instance?

Mr. Montagu: I think so.

#### Elections

Sir W. Davison asked the Sec. of State for India whether, in the elections to the provincial Councils in India, less than 1,500,000 persons went to the poll in districts having a population of about 240,000,000 and a qualified electorate of about 5,500,000, while in the elections for the Indian Legislative Assembly only 180,000 electors out of approximately 1,000,000 qualified voters actually voted; whether many of the voters who did vote were unable by illiteracy to differentiate between the candidates, many of whom were represented on the polling cards by pictures of goats, elephants, and donkeys; and whether he proposed to take steps to secure more adequate representation on the new council of Indian landowners and merchants in place of the existing preponderance of Indian lawyers?



Mr. Montagu : For accurate figures in regard to the elections, I would refer my hon. Friend to the Return presented to Parliament in April, of which I will send him a copy. As regards the second part of the question, many of the voters were, of course, illiterate, and a system of symbols to assist voters to record their votes correctly was tried successfully in one province. As regards the last part, my information is that landowners (many of whom are also lawyers) as a whole have secured large representation, and that the same observations apply to commercial interests. I would refer my hon. friend in this connection to the recommendation made by the Joint Select Committee on Clause 41 of the Govt. of India Bill, 1919 in regard to a future revision of the franchise. I will send him a marked copy of their Report.

Sir W. Davison : Does the right hon. Gentleman not think that the figures of the recent election in India clearly show that the broad-minded and impartial rule of the British Raj has been replaced by popular Government of an oligarchy which by no means represents the people of India ?

Mr. Montagu : That is a debating point. Of course, if we could get a wholly satisfactory electorate in India, one of the main obstacles to complete self-government would be removed.

Sir C. Yate : Is it not a fact that there is about 45 per cent of lawyers in all these Provincial Councils ?

Mr. Montagu : I cannot endorse that statement off-hand, but I would invite my hon. and gallant friend to compare other Legislatures.

#### *HOUSE OF COMMONS—16TH—18th AUGUST 1921*

##### *Civil Service (Memorial)*

Sir J. Bruton asked the Sec. of State for India what decision has been arrived at by the Govt. of India on the memorial sent to him by the Indian Civil Service Central Association ; and whether he will publish a copy of the comprehensive Resolution on the subject promised by the Govt. of India ?

Mr. Montagu : I regret that the Govt. of India have not found it possible to issue the Resolution so soon as was hoped, but this will be done at the earliest possible moment, and its contents will be made available to the public here. My hon. friend will no doubt appreciate the complexity of the issues involved.

##### *North-Western Frontier Situation*

On August 18th Sir W. Joynson-Hicks asked the Sec. of State for India whether he has yet received full reports as to the situation on the North-West Frontier and the causes and the results of the recent fighting there ?



Mr. Montagu : Owing to the attitude of the Waziristan Tribes towards us during the Afghan War, and the repeated raids which they carried out against the peaceful inhabitants of our frontier districts, in 1919 punitive operations were undertaken in Waziristan. These operations, after some severe fighting, led to the occupation of the country by our forces and the nominal submission of the tribes to the terms imposed upon them by us ; but it could scarcely be expected that independent and warlike tribesmen, occupying a mountainous district roughly half the size of Switzerland, would be subdued and become peaceful cultivators and traders within a short space of time. In such a country it is to be expected that for some time certain section will prove recalcitrant, refusing to comply with our terms and maintaining hostilities against us, in the hope of tiring us out and inducing us to withdraw and before the terms of submission have been fully complied with. Their intimate knowledge of the intricate country in which they live, and through which our long lines of communication pass, favour such activities on their part. Moreover, there are various influences, such as the activities of Afghan adventurers, at work, instigating hostility and resistance ; and the tribesmen, as a whole, cannot but be influenced by their anticipations regarding the outcome of the negotiations of our Mission now in Kabul.

But in considering the pacification of Waziristan, the problem may conveniently be dealt with under three Tribal headings :—the Tochi Waziris, the Mahsuds, and the Wana Waziris ; remembering that of these the Mahsuds are the most turbulent, and that, therefore, their attitude influences largely the demeanours of the Tribesmen as a whole.

*The Tochi Waziris* :—As soon as the expedition sent against them in 1919 had reached Datta Khel, the Tochi Waziris tendered their submission. The terms imposed upon them were complied with in part, but on the withdrawal of our force from Datta Khel these Tribesmen failed to complete the payment of the fines levied upon them or to hand in the balance of the rifle demanded. Their action may be attributed to their desire to await the result of the Kabul negotiations, and it is to be expected that raids by the Tochi Waziris will continue until Datta Khel is re-occupied by us, a proposal which is now being considered.

*The Mahsuds* :—As the result of our past operation in 1919-1920, all the Mahsuds have submitted to our terms except three sections of the tribe. These sections amount to between 2,000—3,000 fighting men out of a total Mahsud strength of 20,000, and, as they live in the more remote valleys, and have not yet received adequate punishment, they continue their raids and attacks upon convoys, though



the fact that we have a brigade in the heart of the Mahsud country within shelling distance of Makin, their most important village, has already had the effect of bringing about an almost entire cessation of raids by Mahsuds in the Zhob and Dera Ismail Khan districts, which in the past were the cause of so much loss to the peaceful inhabitants of these areas.

Attacks by these recalcitrant sections upon our posts have almost invariably been unsuccessful, and their efforts are now chiefly confined to attempts against convoys, which offer greater prospect of success. A convoy moving through a mountainous country with its long line of animal transports is vulnerable and not easy to protect; but it is hoped that this difficulty will be greatly decreased when the road now being built to Ladha is complete, enabling mechanical transport to replace the long convoys of animals.

*The Abdullais* :—The most truculent of these three recalcitrant sections of the Mahsuds have, since our brigade near Makin shelled that place, sent in to ask for a truce, and there are indications that they too are awaiting events in the hope that something to their benefit may result from the Kabul negotiations. Both the Tochi and Wana Waziris fear the Mahsuds, and, in addition to awaiting the outcome of events at Kabul, are reluctant to make any definite move until they see what our policy towards the Mahsuds is to be.

*The Wana Waziris* :—These tribesmen submitted to our terms without a punitive expedition being necessary, but owing to the intrigues of Afghan adventurers and recalcitrants amongst their own folk the peace party was over-ruled and operations against them had to be undertaken in December, 1920.

The fines then imposed upon them have been paid up in full, but many rifles yet remain to be handed in, and it is clear that they too are watching events at Kabul. At the same time it should be noted that their country was taken over by us at their own request in 1894 and the bulk of the tribe would be greatly averse to our withdrawal, and consequently they showed little activity against us.

In brief it may be stated that our present disposition in Waziristan gives us a good hold upon the country in general and that as communications improve that hold will become more firm, until in time the recalcitrant minority will see that their guerilla tactics are of no avail. The majority who are peacefully inclined will find employment in increasing numbers as Khassadars and Escorts and on road making, and eventually, it is hoped, the district will become peaceful and prosperous. In no circumstances could such a result be expected immediately after our punitive operations, and under existing conditions the eventual pacification of the country



has undoubtedly been delayed by the uncertainty of our position *vis-a-vis* Afghanistan and by the activities of Afghan adventurers.

Mr. Gandhi.

Viscount Curzon asked the Secretary of State for India whether his attention has been drawn to a declaration made by Gandhi to the effect that he can clearly see the time coming when he must refuse obedience to every single State-made law, even though there may be certainty of bloodshed ; whether this statement is equivalent to a declaration of open rebellion ; whether the same individual is directly or indirectly responsible for most of the revolutionary disturbances which have taken place in India during the last few years ; and, if so, what action he now proposes to take ?

Mr. Montagu ; I have seen the Press extracts to which the question refers. I would call the Noble Lord's attention to the answer I gave him on 6th April and the 12th July, and also to my answers to the hon. Member for East-bourne (Mr. Gwynne), on the 17th and 24th November last with regard to the last part of the question. I will send the Noble Lord copies of these replies.

#### HOUSE OF COMMONS—25TH OCTOBER 1921.

##### Moplah Rebellion.

Sir W. Joynson-Hicks asked the Secretary of State for India whether he is prepared to make a full statement of the troubles arising from the Moplah rebellion ; and whether he is satisfied that steps have been taken to protect the lives and property of His Majesty's subjects in the event of risings in other parts of India ?

Sir J. D. Rees asked the Secretary of State for India whether he can give the House any information regarding the situation in Malabar.

Captain Viscount Curzon asked the Secretary of State for India whether he can state the number of casualties due to revolutionary violence in India during the War ; and what is the present state of affairs in the Moplah area ?

Mr. Montagu : As the House is, I think, aware, I have already published and am publishing all the information in regard to these disturbances as I receive it by telegram from India. I think, however, that the information should be brought officially before the notice of the House, and to that end I am having prepared and hope to present within the next few days a White Paper containing the essence of the reports I have received. I fear that owing to the inherent difficulties of the countries, we must anticipate that the operations required to put an end to the disturbances may take some little time. I will, of course, keep the



House informed as to their progress, and propose to supplement the White Paper from time to time as may be necessary.

With regard to the first part of question No. 2, the Govt. in India have the fullest sense of their responsibility for the lives and property of those with whose protection they are charged. I would refer the hon. Baronet to the statement made by the Viceroy in the Council of State on the 3rd September, of which I will send him a copy. As regards the first part of question No. 7, I am not able to supply figures as to the number of persons whose death or injuries may have been attributable to revolutionary violence as distinct from ordinary crime during the period of the War. But information contained in the Report of the Sedition Committee, Command Paper 9190 of 1918, will perhaps partially meet the Noble Lord's purpose. I will send him a marked copy.

Sir J. D. Rees : In the White Paper that the right hon. Gentleman proposes to lay on the Table will he give information regarding the forcible conversion of Hindus to Muhammadanism, as to which information is rather wanting ?

Mr. Montagu : I cannot speak from memory. What I propose to publish as a White Paper is a collection of the telegrams I have received. As my hon. Friend knows, there has been a considerable number of forcible conversions.

Colonel Sir C. Yate : Can the right hon. Gentleman state how many troops and armed police are employed in this Moplah area ?

Mr. Montagu : I cannot state that. I am not sure whether, on reflection, the right hon. Baronet will think that it would be wise to give the information. All troops that are necessary and for which the Government of Madras has asked have been sent.

Captain Edge : Does the unfortunate rising among the Moplahs not prove the necessity of keeping a firm hand on India and of preventing agitators from this country spreading discontent among the Natives ? Has not the time arrived for a seizure of Arms in India ?

Mr. Montagu : There never has been any doubt that it is the duty of the Govt. to deal firmly with outbreaks such as the Moplah rebellion.

## HOUSE OF COMMONS—1ST NOVEMBER 1921

### The Press Act

Sir C. Yate asked the Secretary of State for India which were the local Governments in India who expressed the opinion, recorded in the Report of the Committee appointed by the Govt. of India to examine the Indian Press Act of 1867, 1908, and



1910, that the retention of the Act of 1910 was desirable in the interests of law and order ; for what reason the Govt. of India propose to repeat these Act, and in the case of Seditious documents confiscated by order of the local Government to allow the right of appeal and to put the onus of proof that the document is seditious upon the local government instead of putting the onus of proving that the document is not seditious upon the owner or author ; why the prescribed term of imprisonment is to be reduced ; and why the Government of India desires to divest itself of the safeguards it now possesses against the spread of sedition just at the present time when sedition is so rife in India ?

Mr. Montagu :—I fear I could not give my hon. and gallant friend the information for which he asks within the course of an oral reply. I am having, therefore, a full statement prepared and will circulate it when complete in the OFFICIAL REPORTS.

*The following is the statement mentioned :—*

All the local Governments (except Madras and Bombay which favoured repeal of the Press Act and the provision of safeguards of another kind) advocated the retention of the Press Act in some form. But as stated in the Committee's report, there was considerable divergence of opinion between them as to the nature of the modification which should be made.

It is not proposed to repeal the Act of 1867, and the repeal of the Act of 1910 is to be accompanied by the re-enactment, with certain modifications, of some of its provisions. One of the provisions to be retained is the power to order the forfeiture of seditious documents, and along with this it is also proposed to retain the right of appeal against such an order to a special bench of the High Court, which is allowed by the Act of 1910. The proposal to place on the Government the onus of proving the seditious character of the documents seized is based on the general principle that the burden of proof lies on the prosecution and on the consideration that documents—the seditious character of which the Government is not in a position to prove—may reasonably and in general be assumed to be documents which do not seriously offend against the law of sedition.

As regards the third part of the question, the offences in respect of which it is proposed to reduce the maximum terms of imprisonment from two years to six months, are not offences against the law of sedition, but breaches of the provisions of the Registration Act of 1867, such as failure to comply with the requirement of declaration of publishers and printers and to display those names on published works. Such offences (which are commonly punished



by fine and not by imprisonment) would seem to be adequately met by the reduced term of imprisonment as ordered.

As regards the last part of the question, the reasons for the proposals were given at length by the Committee whose views the Government of India have accepted.

#### Repressive Acts.

Sir C. Yate asked the Prime Minister whether, considering that the Moplah rebels are reported to be out for a general and merciless campaign of murder, looting and forcible conversion, the Government will advise the Government of India not to proceed with their proposed Bill for the immediate repeal of certain repressive Acts that are now on the Indian Statute Book and thus to divest themselves of the powers to repress this or any other rebellion that they now have, especially as the Viceroy has expressed himself as conscious that the need of special powers may again arise in the future?

Mr. Montagu:—I am in correspondence with the Government of India on the matter, and I can make no statement at the present time. I would say, however, that I do not accept my hon. and gallant Friend's statement that the proposed Bill, if passed, would divest the Government of India of their powers to repress rebellion: and that the opinion he attributes to the Viceroy is in fact that of the Government of Behar and Orissa, as shown in paragraph 28 of the Repressive Laws Committee Report.

Sir W. Joynson Hicks:—Having regard to the position of the English people in India, would the right hon. Gentleman arrange that this matter also should be referred to the Joint Select Committee on Indian Affairs, in order that they may consider whether it is desirable, in the interests of this country, that the legislation should be carried out?

Sir J. D. Rees:—Has not a specially appointed Committee recently reported on this matter, and did it not recommend the retention of some of these repressive Acts, or at least of one of them?

Mr. Montagu: I believe that the hon. Baronet is accurate, but I do not see how that affects the question which was put to me. With regard to the supplementary question put by the hon. Baronet the Member for Twickenham (Sir W. Joynson Hicks) about the Joint Committee, I never undertook, when asking Parliament to agree to set up the Committee, that it should assist in the administration of India.



Colonel Wedgwood : Was not this legislation intended to deal with the intelligentsia, and not with the Moplahs ?

Law and Order.

Sir W. Joynson-Hicks asked the Prime Minister whether his attention has been called to the Notice of a Motion relating to India standing in the names of the hon. Member for Twickenham and others—"that this House views with grave concern the present state of India, and urges upon his Majesty's Government to take immediate steps to re-establish law and order in that country"—and when he will give a day for its discussion ?

The Leader of the House (Mr. Chamberlain) : As this question relates to the business of the House, my hon. friend will not be surprised if I answer it. I have seen the Notice of Motion, to which, in view of both of the importance of the subject and the number of signatures attached to it, His Majesty's Government have given careful consideration. I should be glad if my hon. friend would be good enough to confer with me before taking further action.

Sir W. Joynson-Hicks : Would it be convenient for my right hon. friend to see myself and two or three of my friends this afternoon ?

Mr. Chamberlain : Yes ; I am at my hon. Friend's disposal immediately after questions.

(See also p. 80).

#### Prosecution (Bhagalpur Grant Case.)

Sir C. Yate asked the Secretary of State for India who were the local officials of Bhagalpur who were responsible for the prosecution of Mr. Grant in the case in which the Court entirely exonerated Mr. Grant, and animadverted upon the unsatisfactory manner in which the case had been investigated by the Bhagalpur authorities ; and what steps have been taken by the Government of India in the matter ?

Major Barnston (Comptroller of the Household) : The Government of Bihar and Orissa rightly took a very serious view of the murder by villagers of Gurkha watchmen engaged by Mr. Grant and instituted these prosecutions. The persons accused of taking part in the assault on the Gurkhas were charged with murder, riot and dacoity ; the Messrs. Grant with organising an unlawful assembly ; and the Gurkhas and the villagers who accompanied them with forming an unlawful assembly. My right hon. Friend has not received a report of the judgment, which, he understands,



entirely exonerated the Messrs. Grant. The case was one in which a full magisterial inquiry was desirable. My right hon. Friend does not know that the Government of India has taken any action.

#### Civil Services—New Pension Rules

Sir W. Joynson-Hicks enquired of the Secretary of State about the new rules for the premature retirement of I. C. S. men on proportionate pension.

Mr. Montagu in reply gave the Resolution issued on the 8th November 1921 by the Govt. of India with the approval of the Secretary of State in Council.

#### HOUSE OF COMMONS—8TH NOVEMBER 1921.

##### Trade Unions

Sir C. Yate asked the Secretary of State for India whether, considering that many of the so-called Trade Unions in India are stated to be little more than strike committees, and in view of the Acts of violence and intimidation which have characterised a large proportion of the disputes in which these committees have been concerned, it is the intention of the Government of India to proceed with legislation for the purpose of giving legal status to Trade Unions in India, and to define the law of agency in such a way that no act could be made the ground of a claim on Trade Union funds unless it was definitely proved that the Governing Body has sanctioned the act; and whether having regard to the difficulty of obtaining definite proof in a country like India, and to the fact that the majority of these loose organisations publish no accounts and assign no functions to their governing body, he will consider the question of the unfairness to the rest of the community of either legalising picketing or of putting these so-called Trade Unions outside the law?

Mr. Montagu: The Government of India are considering the lines on which legislation should be undertaken for the registration and protection of Trade Unions and are consulting local governments with a view to submitting proposals. Pending receipt of actual proposals for the legislation, I feel it would be premature to discuss the tentative conclusions on which the Government of India are consulting local governments.

Colonel Wedgwood: Is the question justified in saying that many of these Trade Unions are little more than "Strike Committees"?

Mr. Montagu: I am not responsible for the wording of the question.



## Seditious Leaflets (Indian Army)

Sir C. Yate asked the Secretary of State for India what steps have been taken to put a stop to the circulation of leaflets in India tampering with the loyalty of the Indian Army; how many of the authors and printers of these leaflets have been prosecuted and with what result; and whether any of those who signed these leaflets have been allowed to go free?

Mr. Montagu: This matter has engaged the close attention of the Government of India and local governments. I understand that the only leaflet of this nature that has come to notice has been proscribed under Section 12 of the Press Act. There were no signatures on the leaflet, though a few names are mentioned in it out of a very large number who are reported to have signed the "fatwa," extracts of which the leaflets purported to reproduce. The press at Delhi which printed the leaflet, has been ordered to give security but has failed to do so and has ceased working.

## Agitators (Birth-places)

Sir C. Yate asked the Secretary of State for India whether Mahommed Ali and Shaukat Ali and the four others who it is reported have been convicted and sentenced to two years' rigorous imprisonment are by birth subjects of British India or of Native States; if the latter, of what States; and what is the birth-place and parentage of Mr. Gandhi?

Mr. Montagu: Mohammed Ali and Shaukat Ali are by birth subjects of the State of Rampur in the United Provinces. All the other accused are described as residents of places in British India. Mr. Gandhi's father was the Diwan of the State of Porebandar in Kathiawar.

Sir W. Davison: Will the right hon. Gentleman consider the advisability of deporting Gandhi to his Native State, to see whether that Native State can deal with him?

Mr. Speaker: That does not arise out of the question.

## Moplah Rebellion.

Captain Viscount Curzon asked the Secretary of State for India whether the situation in Malabar shows as yet any sign of improvement or otherwise?

Mr. Montagu: I have not for some days past received any general review of the position. On the 27th October the Government of India reported that the General Officer Commanding the Madras district was satisfied with the situation, but needed more troops, which were being sent, in order to bring the operations to a close as soon as possible. The last received reports cover the four



last days of October, and indicate that the troops and police are actively engaged in locating and capturing the rebels, who are still offering resistance, whenever they are met. In view of the difficulty of transport in the country and the absence of communications, it is obvious that the complete pacification of the district must take time.

Viscount Curzon: Is the right hon. Gentlemen aware that the communique issued by the District Magistrate on the 4th of November stated that a refugee, with ghastly wounds in the neck, had seen 50 Hindus beheaded and their bodies thrown into a well? Has he no information about this?

Mr. Montagu: I think that it would be more courteous if the Noble Lord had given me notice of a question of detail of that kind. I have stated to the House over and over again that there have been the most shocking atrocities committed by these rebels on loyal Hindu fellow-subjects.

Viscount Curzon: Is not the right hon. Gentleman aware of all the communiques which are published in the Press which are issued by the District Magistrate? Do not all these things come to his notice in the ordinary course?

Mr. Montagu: To the best of my recollection every official telegram containing news on the subject of Malabar received in my office has been published, whether they are communications which have been issued in India or are reported by Reuter by the ordinary cable. There have been several telegrams from both sources reporting atrocities by the Moplahs. I can not say off-hand whether I have seen that particular telegram or whether it was an official communique.

Viscount Curzon: Is not the right hon. Gentleman's information six days old?

Mr. Montagu: No.

Lieut.-Colonel Croft: In view of the violence of the crimes, will the right hon. Gentleman consider the advisability, according to precedent, of offering the Moplahs Dominion Home Rule?

(This was said ironically in view of the grant of Home Rule to Ireland).

#### The Indian Railway Committee.

Replying to Major Glyn, Mr. Montagu said that he was not yet in a position to make a statement regarding the policy arising from the recommendations of the Indian Railway Committee. He had asked the Government of India for general views and report, and it would be necessary to take the opinion of the Indian Legislature.



He did not think that it would be reasonable to impose a definite time-limit for their consideration, but he was constantly telegraphically communicating with the Government of India on more urgent matters reported on by the Committee, with a view to action as soon as possible.

#### Purchase of Stores

Major Glyn asked what action the Government of India or the India Office were taking to hasten the orders for machinery, materials, *etc.* required for the Indian Railway and Transport Services, as such could not be at present manufactured in India.

Mr. Montagu replied that orders had been and were being placed up to the limits of the funds allotted for expenditure on the services concerned.

Major Glyn urged the encouragement of orders from India in order to give work to the unemployed in Great Britain.

Mr. Montagu replied that he was very anxious to do everything in his power to develop the resources of India, and if some arrangement for mutual advantage to both countries would be made, he would be only too delighted to do everything in his power to facilitate it. He promised to receive a deputation of workers.

#### Govt. Printing and Official Secrets.

Major Glyn called attention to the expenditure of the Government of India on printing, and suggested that if the habit of having every document printed were reduced, it would be considerable financial saving, and that the secrecy of official documents might be proportionately respected.

Mr. Montagu, in reply, mentioned the Government of India Secretariat Committee's recommendations for economy, and said that special steps were taken to secure the secrecy of confidential documents. He pointed out that 75 lakhs expenditure on Government Presses in India in the current estimates included the cost of the staff, material and stores, and the estimates of the Govt. India and Provinces were now closely scrutinised by the respective Legislatures.

Major Glyn declared that no documents printed in India could be counted as absolutely secret, and the only way the documents could be kept secret was to have them type-written.

Mr. Montagu replied that he was surprised to hear that.

#### HOUSE OF COMMONS—9TH NOVEMBER 1921

##### Government Servants (Gandhi Caps.)

Sir C. Yate asked the Secretary of State for India whether Government servants in India have been wearing Gandhi Caps, and



thus openly showing their participation in the disloyal Non-co-operation movement that has been permitted to manifest itself ; and, if so, whether steps have been taken to dismiss all such men from Government employ and to instal loyal men in their place, or what has been done in the matter ?

Mr. Montagu : I am informed that in Bombay the use of the caps has spread to Government and other offices, this being ascribed in part to the attraction of a novelty and to some extent to intimidation. I observe also from the Press that the Government of the Central Provinces has issued orders that Government servants are not to wear the caps and that this order has been approved by the local Legislative Council. Similar orders appear to have been issued in some Government offices in Bombay.

**Lahore Municipal Fire Brigade (Mr. Newland.)**

Sir C. Yate asked the Secretary of State for India whether Mr. Newland, an ex-soldier and the Superintendent of the Lahore Municipal fire Brigade, was ordered by the Municipal Committee of Lahore to wear Khaddar uniform, that is, uniform made of Gandhi's home-spun cloth, the badge of disloyalty to the British Government, and was compelled to resign his appointment in consequence ; and, if so, what steps have been taken by the Government of India in the matter and what provision has been made for Mr. Newland ?

Mr. Montagu : The answer to the first part of the question is that Mr. Newland, with the rest of the Municipal Staff, was ordered to wear a uniform of Indian made Khaki home-spun. On the resolution being passed, Mr. Newland tendered his resignation, stating that it was impossible for him to accept the order. His resignation was supplemented by a general complaint of the Committee's neglect of the fire-brigade and the inadequacy of his pay. His resignation was accepted. The Government of India understand that Mr. Newland has been re-employed elsewhere on the recommendation of the Deputy Commissioner of the Lahore District.

**India (Law & Order)**

Sir. W. Joynson-Hicks asked the Lord Privy Seal whether he has now considered the Motion standing on the Papers in the names of the hon. Member for Twickenham and others ; and if he can give a day for its discussion—

“That this House views with grave concern the present state of India, and urges upon His Majesty's Govt. to take immediate steps to re-establish law and order in that country.”



Mr. Chamberlain : Yes Sir. As I said on Monday last, we have carefully considered the Motion, but it is not possible for me to find a day for the Motion within the limits of the present sittings of the House, and I am bound to say that in the opinion of His Majesty's Govt. the present moment is not opportune for such a discussion.

I understand there is general agreement to bring the business of the House to a close not later than seven o'clock to-morrow evening. (Hon. Members :—"No") I have been led to understand that there is general agreement as to the proposal of the Government to bring our business to an end by then. (Hon. Members : "No, no !" and "There is to be another Session of this House !"). I should perhaps add that, even if there were time, in the opinion of His Majesty's Government, the moment is not opportune for such a decision.

Sir W. Joynson-Hicks : May I ask my right hon. Friend if he is aware—I am sure he is—of the grave anxiety felt by many Members of this House in regard to this matter as there has been no Debate on Indian affairs this year, and will he give us an undertaking that the Indian vote, the salary of the Secretary of State for India shall be set down as early as possible next Session so that we may have an early Debate ?

Mr. Chamberlain : Yes Sir. Of course I am reluctant to give such an undertaking in regard to the programme of a Session of Parliament which has not begun. I recognise, however, the full force of what my right hon. Friend has said. Since the salary of the Secretary for India was placed upon the Vote of the House in order that the House might discuss the matter, the House has had no opportunity so to do. I think, however, my hon. Friend has made out a good case for putting the Vote down at an early date, so that the earliest possible opportunity may be given next Session.

Lieut. Colonel Archer Shee : Can the right hon. Gentleman say why this House is never allowed to discuss a question of vast importance like this, whereas in past years the House of Commons has always been given the opportunity of discussing Indian affairs, and especially when there has been a grave state of unrest ?



## HOUSE OF COMMONS—10TH NOVEMBER 1921.

## Punjab Rebellion, 1919 (Treatment of Officers.)

Sir C. Yate asked the Prime Minister if the attention of the Government has been drawn to the letter of Sir Michael O'Dwyer in the press on the 7th instant, exposing the 'unfair' treatment of officers, civil and military, who took an active part in suppressing the Punjab rebellion of 1919; and in view of the additional facts brought out in that letter, if he can state what steps the Government intend to take to safeguard the future prospects and to prevent the further prosecution of these officers, British and Indian, who have been and are so seriously affected by the orders issued, as shown on page 50 of the Government's Review of India in 1920?

The Prime Minister: I am sorry that I am not in a position to answer this question. I have not had time to go into it. I will circulate an answer in the course of the next 24 hours.

Sir C. Yate: Will the right hon. Gentleman also look into the case of the High Court Judge who was compelled to retire because he did not feel able to meet the man he had sentenced to transportation for life as a Minister of the Province?

## HOUSE OF COMMONS—15TH DECEMBER 1921

## Moplah Rebellion.

Sir J. D. Rees (by Private Notice) asked the Sec. of State for India whether he has any information to give before the House rises on the situation in Malabar?

Mr. Montagu:—The White Paper issued yesterday contains all the information received up to 6th December. I have received since that date nine other telegrams which are for the most part detailed military reports of the operations. They show continued progress in capturing rebels and reducing the area affected. I will circulate in the Official Report the summary for the work ending 12th December, with other details.

The following is the summary referred to:—

Kachins, Gurkhas, and special Police have all had successful encounters with rebels during last few days, and have killed about 200, besides taking some prisoners and a number of weapons including fire-arms. In Suffolks' engagement, enemy attacked in desperate fashion and 31 were killed; principal leaders, with diminishing number of followers, still remain to be dealt with, but their position is becoming desperate, and there are increasing signs that



rebellion is collapsing so far at least as active resistance concerned. Fighting gangs penned into hills behind Mannarghat road. From Kalikava to Nilambur road, from Nilambur to Edakkara and south-east of Calicut Taluk surrenders continue, and though number of arms handed in is not very great, there can be no doubt that moral effect is considerable. In another message it is stated that the military authorities are agreed that if existing units are kept fully up to strength, for which arrangements have been made, the number of troops now on the spot is sufficient to deal with those rebels who are still defiant, to prevent the rebellion spreading, and to enable the peaceful element of the population to re-assert themselves. Other messages report that the total Moplah casualties up to the 9th December included 1,826 killed and 1,500 wounded, 5,474 have been captured and voluntary surrenders are 14,241. There are also other applications to surrender which are being dealt with in turn. The figures include surrenders by persons of every degree of complicity from passive sympathy to active fighting, but the gang-leaders and gangs, as such, have not yet surrendered.

#### Situation in Calcutta (Agitation)

Lieut. Colonel Archer Shee : Can the right hon. Gentleman give the House any information as to the situation in Calcutta ?

Mr. Montagu : I have brought down no further information beyond that which has appeared in the Press.

Colonel Sir C. Yate : Have all the agitators now been arrested, and are they to be tried or interned ?

Mr. W. Thorne : Shot !

Mr. Montagu : I cannot give an answer as to every agitation in India. I think in every case in Calcutta agitators who have been arrested for breaches of the law are being, or have been, tried in the Courts.

Mr. W. Thorne : Will the right hon. Gentleman give the House the definition of an agitator ?

Mr. Speaker : That would take much longer time than we can spare at present.

Sir J. D. Rees : Will Mr. Knapp's report, when received, be made available to Members of this House ?

Mr. Montagu : I think so. It is a public inquiry ; I think the report will be public.

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# The Students Enquiry Committee

An important affair in connection with Indian Students in England who labour under the difficulty of getting admission in English educational and technical institutions for training was taken in hand by Mr. Montagu early in 1921 but ended in a fiasco. On May 13th. Mr. Montagu appointed a Committee under Lord Lytton to go into the whole problem of Indian Students and report recommendations. This Committee went on with its work for some months but was scrapped by the Indian Legislative Assembly refusing to vote its cost which amounted to Rs. 2 lakhs (see page 524). Accordingly the work of the Committee was left incomplete. The following correspondence took place between Mr. Montagu and Lord Lytton.

## Mr. Montagu's Letter.

Mr. Montagu, writing to Lord Lytton from the India Office on October 4th, after referring to the action of the Assembly refusing to grant the demand, said :—

“When I invited you to accept the Chairmanship of this Committee and you were good enough to accept my invitation, it never occurred to me any more than it would have occurred to you that I should have had any difficulty in providing the necessary funds. My experience during the time that I have been Under-Secretary and Secretary of State at the India Office convinced me that we ought to be able to find some better machinery at once, more adequate and more appreciated to help young Indians to find in this country the educational facilities which are of such importance to them. I had every reason to believe that this view was shared not only by the Indian students but by all Indians who had interested themselves in this matter, and the Legislative Assembly and its predecessor, the Legislative Council. I had further become convinced that it was necessary to secure a greater co-ordination between the machinery in this country and in India and that this could only be done by investigation in both the countries by a Committee which had familiarised itself with opportunities which were offered or could be made available in this country. The terms of reference to your Committee, which I had agreed on with Lord Chelmsford's Government, required the Committee, among other items to report on the constitution and working of the advisory committees in India. This fact and other



considerations which I have set out above clearly necessitated a visit to India, and indeed we discussed in Council before the appointment of the Committee whether the work should be inaugurated in India and finished at home (in England) or begun at home (in England) and completed in India. It was decided that the Committee should start its work in this country because, as I have said, it did not seem possible to arrange as to how the educational opportunities in this country could be made available in India until these opportunities had been fully explored and developed, but of course I had always understood that a visit to India would be necessary before the Committee could report. The action of the Legislative Assembly has created a situation which was not anticipated because it was one which would not arise in this country. Investigation of the administration problems by means of Royal Commissions and Committees is the function of the Executive and I do not think that the Parliament, although I have often suggested such enquiries and although it does not always accept their results, has ever failed to vote the funds necessary to defray their expenses or attempted to interfere with the discretion of those investigating the problems as to how they should carry on their work. But until the relations between the executive and the legislature in India have come to approximate more nearly to what they are in this country, and more particularly in the opening session of the new Legislature, difficulties of this kind are almost inevitable. I cannot but think that if the Legislatures had had the experience of the dimensions of the problem which you and I, who have been in such close consultation, possess their decisions would have been different. But however strongly I disagree, I would be the last to complain of the use by the Legislature of the powers which, on my advice, were entrusted to them by the Parliament. This is clearly not the occasion upon which the restoration of the vote should or could have been insisted upon. The work therefore which you and your colleagues had intended to do in India will have to be abandoned for this year. I desire to express to you my apology for any personal inconvenience to which you and your colleagues may have been put by this decision, and my most profound regret that the valuable work upon which you were engaged cannot be completed now. If you should decide to abandon the enquiry at this stage and leave me without the benefit of your views and the evidence which you have already taken, I could not complain, but I hope very much that you will not think it necessary to take such a step. During the last five months you have made a most valuable examination of the questions affecting the interests and well-being of Indians in this country and it would be deplorable if we could not



obtain the advantages of the results of this part of your labours. I am hopeful that if you can see your way to make such a report, the Legislative Assembly will not only see more clearly the reasons why the visit of your Committee to India was, in our opinion, necessary, but that they will be led by the hope that the work can be completed in order that Indians can obtain all the advantages possible of educational and technical facilities of this country. I therefore sincerely hope that you will find it possible, even though your recommendations cannot be complete, to present a report to me which will indicate the provisional conclusions to which you came, the nature and urgency of the problem which you have been studying, the adequacy or otherwise of the existing organisation designed to deal with it, and the suggestions which you had intended to explore further."

**Lord Lytton's Reply.**

The following is the text of the letter sent by Lord Lytton on October 6th in reply to Mr. Montagu :

It is not within our competence to question the propriety of the decision of the Legislative Assembly, but, while agreeing with you that the decision must be accepted, we cannot but deplore the consequences that must result from it. We feel bound to point out to you that the procedure adopted in our case has been extremely inconvenient. The Committee was appointed early in the year on the understanding that our enquiry was to begin in this country and to conclude in India. Our proceedings have been conducted on that understanding throughout and it was not until the very last moment that we were informed that our programme must be abandoned. If there has been any reason to anticipate a decision of this kind, it would have been more considerate if the opinions of the Assembly had been obtained at an earlier date or even before the Committee was appointed. We do not desire, however, to labour this point and are more concerned to tell you what the consequences will now be. The decision of the Assembly has, of course, made it impossible for us to complete our enquiry. The evidence which we have taken in this country has enabled us to judge the nature and extent of the problem with which we are faced and has led us to form certain tentative conclusions as to the steps which might lead to a satisfactory solution of the problem. But it is essential for the crystallisation of the plans we have in mind that their practicability should be thoroughly investigated with the Universities and other authorities in India and we cannot therefore accept the responsibility for making definite recommendations on the strength of the knowledge necessarily incomplete, because it has been gained only in the United Kingdom. It is evident that neither the Government of India nor the members of the Legislative Assembly are aware of the nature or the urgency of the problem which we have been investigating. Indeed, we were not fully aware of it ourselves until we heard the evidence which has been laid before us. The prevailing opinion in the Assembly, if we may judge from the telegrams cabled by Reuter, seems to be that the solution of the problem which arises in the United Kingdom must be sought here and that our efforts should be confined to the free access of Indians to the British Universities. This opinion ignores the fact which has been made abundantly clear to us that this freer access is dependent upon



conditions which are not at present satisfied and which cannot be satisfied without radical changes in India as well as in this country. We began our enquiry with the object of ascertaining what obstacles now exist to the admission of more Indians to the educational institutions in the United Kingdom and how they could be removed. We soon found that University authorities, and still more, Indian students, were far from satisfied with the existing state of affairs and they both asked us to recommend a change which would require a closer co-operation than at present exists not only between the British and Indian Universities but also between the authorities themselves. It is in order to test whether these changes would work successfully that it is necessary to examine them in India. At each University we visited, the complaint has been much the same. The students, we are told, arrive from India with little or no knowledge of the regulations or requirements of the British Universities. They are often ill-equipped for the course of study which they propose to follow, and sometimes with quite inadequate means for their support.

As regards the latter complaint, we were assured by the Chairman of the Distressed Indian Students' Aid Committee, who regards the situation with considerable misapprehension, that the number of cases of genuinely acute distress among the Indian students are at the present time very serious and that in the coming winter the need for help will be severely accentuated.

#### **Difficulties of Admission**

University authorities say: "What we require is some organisation which will supply authoritative information to students in India concerning our regulations, select for the limited number of places which we can offer the students best fitted to profit by our teaching, and supply us with reliable information regarding Indians who apply to us, about their character, ability and the value of the academic qualifications which they claim to possess. At present we know little or nothing about them and have no means of obtaining, regarding them, the kind of information which we require in the case of all British students. Unless a more satisfactory machinery can be devised for this purpose we shall be obliged, instead of opening our doors wider, as you wish us to do, to restrict still further the number of Indians whom we can admit." Students have a different story to tell. They resent, in the first place, the existence of any limitation to their admission to the British Universities and they complain that in many important respects the education available in India is defective and, even where it is adequate, the holders of British Degrees and qualifications are preferred to those whose qualifications have been acquired only in India. This is especially the complaint of those who come to obtain admission to the English Bar. Being compelled, as a condition to success in their careers, to leave India and come to this country for their studies, they expect to find admission to the British Universities an easy matter and are disappointed and hurt whenever their applications are refused or their academic qualifications undervalued.

#### **Difficulties after Admission**

Those who succeed in obtaining admission to the University of their choice have other complaints which they brought to our notice. Some found it difficult to make friends and feel themselves excluded on racial grounds from some departments of University life and others experience difficulty in securing suitable lodging and accommodation. Those who are following the engineering and technological course find great difficulty in obtaining practical works' training which is necessary for them.

#### **The Students' Requirements**

What the students require, therefore, and which will be intensified in future years when women students come here in large numbers, is an organisation



which will obtain for them admission to British educational institutions before they leave India, which will secure an adequate recognition of their academic qualifications obtained in India, which can help them in any difficulty they may encounter on their arrival and during their stay in this country and which will more especially assist them to gain admission to manufacturing firms for suitable practical training. When we turned to examine the existing organisation and to ascertain how far it was capable of fulfilling the requirements of these clauses, we learnt that hitherto it failed to do what was required and we have been driven to the conclusion that the present attitude of so many students towards the Government would prevent any official organisation being effective. We were informed that the Advisory Committees in India are of little, if any, value. Their existence is unknown to many University authorities in this country and many students do not consult them at all and those who do, obtain only negative advice from them. We are of course unable to say how far this complaint is justified as this was one of the subjects which, in accordance with our terms of reference, we should have investigated in India.

### **The Indian Students' Department.**

The work of the Indian Students' Department and of the local advisers at the British Universities received more approval from the University authorities, but with many students it finds little favor and they regard the Department with much suspicion, as a Government agency for the supervision of their political activities. They resent the element of guardianship and tutelage which results from the existence of the local advisers at the Universities, and they assert that the Department hindered rather than facilitated their admission to the Universities and that it failed to assist them in getting practical works training. We have, however, been assured by the authorities of every University that they never asked for or received from the Department any information regarding the political opinions of the Indian students and we are satisfied that the suspicion, that the Department exercises any form of political espionage, is without foundation. We are also convinced that if it had not been for the efforts of the Department, the number of Indian students at Oxford and Cambridge at any rate would be less than at the present time. It is obvious, however, that the attitude of many students towards the Department prevent it from being a satisfactory agency for assisting them in their many difficulties, and however much its personnel and activities were improved, this inherent defect for which it is not responsible would remain.

### **An Unofficial Organisation Desired.**

For these reasons, because we consider it is imperative, if possible, to obtain the confidence and co-operation of the students, we have been led to consider the advisability of an unofficial rather than an official organisation. Before forming any final conclusion, we should, had we visited India, have considered how far the existing deficiencies might be remedied by improving the official organisation there, but the evidence we have received up to the present has caused us to believe that the needs of the University authorities and students can only be met by new organisations which would mainly be unofficial in character, and by establishing much closer relationship than at present exists between India and the British Universities.

### **Reasons for Visit to India.**

There are reasons to hope that if requirements of the Universities here could thus be met, they would be more anxious to overcome the obvious difficulties of admitting a large number of Indian students, but the organisation required would, of course, have to start in India, and in some respects the Indian part



of it would be more important with regard to the engineering and other technological students. We think it is insufficiently appreciated that the industries in this country are for the most part so highly developed that the students admitted to them may not always gain the kind of experience that would be of most use to them on their return to India. Advice as to the type of training required, as well as help in obtaining it, is needed, and this would suggest the establishment of a special organisation consisting of men intimately acquainted with industrial conditions both in India and this country. How far a part of the industrial training required could be suitably obtained in India, and how far employment would be available on their return for those who undergo practical training in this country, are also questions needing investigations in India. To obtain representative opinions of Indian parents from whom of course no evidence has yet been heard, to learn the views of returned students who have had the experience of the existing organisation in the past, to discuss with the authorities in India various suggestions that have been made to us and obtain information which would have enabled us to make comprehensive recommendations, were the main objects with which we proposed to visit that country. The action of the Assembly has made this impossible and we shall have to leave our work unfinished. We are, however, firmly convinced that the problem is of such urgency and importance as to require immediate attention and we hope that some means may be found of completing the work which we have had to abandon.

In response to your appeal we shall now prepare for publication the evidence we have taken and submit to you a report setting out in detail the conclusions briefly indicated in this letter towards which we have been led. As, however, our members have now become scattered—two have already sailed for India and two more will be obliged to return at the end of October—the preparation of the report will have to be proceeded by correspondence unless other means can be found. It will therefore be many months before the report can be completed, but it will, we hope, still be possible to prevent time and money spent on the enquiry from being wholly wasted. But the solution of the problem which we had hoped to recommend must in any case be postponed for some time.

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## India in the Lords 1921

Not many questions are usually asked in the moribund H. of Lords about India. In 1921 the main Indian questions which from time to time were raised in the upper House were about the N-C-O and the Burma reforms. Lords Sydenham and Ampthill continued to throw all obstacles in their power to thwart the efforts of the India Office to lick into shape a Reform scheme for Burma which should commend itself at least to a section of the Burmese people, however small.

On April 20th Lord Lytton announced in the House of Lords that in deference to the opinions which had been expressed by members of the House the Government had decided to leave the whole question of the future constitution of Burma in the hands of the Joint Select Committee who will report as they think fit on the various schemes which had been put forward for discussion. Consequently it was not proposed to proceed with the Government of Burma Bill until the Joint Committee had gone into the whole question.

The Under-Secretary expressly stated that it would be within the discretion of the Committee to report in favour of the Home Government's policy, or in favour of the policy suggested by the Government of India, or even to recommend a policy differing from either of these two. They will also be free to consider the desirability or otherwise of separating Burma from India; but as that was not so much a matter of urgency as the other, it had to be left over for the time being.

From remarks which fell from Lord Islington, it became evident that the Joint Committee would have preferred to consider the constitution of Burma apart from any question as to the separation of the province from India. Obviously, the introduction of the latter issue, he said, must seriously complicate the discussions which were about to take place. Strictly speaking, priority had to be given to the consideration of the question whether Burma is or is not to be a part of the Indian system, as the character of her future constitution must necessarily depend in a large degree upon the settlement of this point.

The Joint Committee was undoubtedly placed in a position of some difficulty by the coupling of the two problems at that juncture. Lord Islington intimated that it was very improbable that the Committee would take a course which would involve loss of contact with the Government of India. As he said, it would neces-



sarily raise a whole set of serious considerations which would require evidence quite outside the ordinary evidence which the Committee would hear in relation to a constitution for Burma as part of the Indian Empire.

#### Reduction in the Indian Army

The Sydenham gang had an opportunity of exhibiting their malicious spite of Mr. Montagu and Indian political growth on May 4, 1921, when Lord Sydenham called attention to the dire peril in which British rule had been placed in India by the reductions recently decided upon in the Indian Army. His arguments followed his old favourite theme—dangers on the frontier, risks of internal insurrection, the folly of Govt. which pays heed to Indian susceptibilities and so on. In quite a sepulchral tone he declared that the danger to the peace of India, internally and externally, was never so great as then, and drew a horrifying picture of the consequences of Gandhi's teachings. Lord Chelmsford, who next rose and made his first speech in the Lords since his return from India, twitted Lord Sydenham upon having devoted the greater part of his speech to unrest in India and openly exposed him by saying that that was his main purpose in raising the question and not the Army reduction.

Lord Sydenham paid a tribute to the great services which the Indian army had rendered overseas and said that the situation in India was more threatening than in 1885 when the Indian army was largely increased. He urged in course of a strong protest against the disbandment of cavalry regiments that their value had not been diminished by the experience of the war.

Lord Chelmsford emphasised that the reduction was due to pressing financial reasons and pointed out that the Indian army was annually costing 60·20 crores as compared with 26·11 immediately before the war. He referred to the undesirability of having a military budget which would sterilise civil development. Government's only course had been to reduce the personnel of the army. If Government attempted to organise an army adequate to meet every possible emergency indicated by Lord Sydenham, it would be heading towards bankruptcy. The Imperial Government had not attempted it. He affirmed that free reduction of cavalry was entirely a military question considered by Sir C. Munro and Lord Rawlinson. No reduction of troops for external defence was contemplated. Lord Chelmsford pointed out that the army was much stronger than before the war. It had now machine guns, motor transport and aeroplanes, while tanks were contemplated. He deduced that upon these an infantry company could do the work of a battalion before the war. Lord Rawlinson, to whose loyal assistance and consideration of the situation Lord Chelmsford paid a tribute, naturally disagreed with the civilian authorities on this subject. The question however was immaterial, because the establishment of troops in India was inextricably bound up with that of troops in England and British troops could not be reduced without longer notice.

Lord Lytton replying said that the total fighting units in India excluding outside India and Burma for 1921-22 showed reduction of six thousand British and 7500 Indian. Compared with 1914 the reduction of eighteen Indian cavalry regiments had been sanctioned, while infantry battalions remained the same. Lord Lytton like Lord Chelmsford insisted that the unaltered fighting



efficiency of the army in consequence of the latest modern equipment, especially the introduction of armoured cars, was quite true. The Government of India wished to make further reductions to which Lord Rawlinson was not prepared to agree. The Government of India was neither alone nor peculiar in desiring to reduce a heavy military expenditure. He pointed out that the enormous expenditure on armaments during the war had necessarily led to the starvation of every other branch of administration and the bringing to a complete standstill of the commercial, industrial and economic life of the nation. The Government of India was particularly anxious to expend money particularly required today to meet the demand for improved standard of comfort and increased cost of everything and everyone including service men. He agreed with Lord Sydenham that the situation in India had been for a long time an anxious one. The Government of India would have to remove the cause of the existing unrest, if possible concurrently with its suppression. One cause of unrest was undoubtedly the intolerable taxation which was felt even greater in India than in Britain. There was naturally a slight difference of outlook between the Viceroy's civil and military advisers with regard to military expenditure. The former urged that the reduction would make the country more contented, while the other deprecated reduction while unrest existed. Mr. Montagu and his India Office advisers, after studying the opinions of the Government of India and Lord Rawlinson and while most sympathetic with the Government of India's desire to effect greater economies, had decided that the army in India ought to be reduced to a minimum compatible with safety, but consideration of safety and not economy must be the determining factor. The Government had decided to submit the question to the Committee of Imperial Defence which would hear all sides of the question. The Viceroy was appointing an Executive Council Committee to prepare the necessary material. Mr. Montagu had given an assurance that no further reduction would be sanctioned until the Committee had reported.

The debate then closed with the withdrawal of Lord Sydenham's motion. Lord Sydenham had, however, little cause for alarm, for some of the O'Dwyerian die-hards who had influenced the drawing up of the Esher Report were represented on the Committee of Imperial Defence in London, and India with the rest of the British Empire was in their safe keeping.

An interesting specimen of the military mentality in England was given at the annual dinner of the Newspapers Society held on the 11 May, 1921. The toast of "The Imperial Forces" was responded to by the late Field Marshal Sir Henry Wilson who frankly confessed that since the War Great Britain had "bitten off more than she could chew" in various parts of the world. But, he said, what they ought to do was to come out of those theatres which did not belong to them before and hang on to those which did, and the 'possessions' which did belong to them, he declared, were Ireland, Egypt and India! These 'possessions' must be maintained at any cost. He then dilated upon the theme how these specifically British possessions could only be maintained by retaining, if not increasing, the British fighting forces and the post-war Army expenditure in those parts of the Empire.



## The North-West Frontier

A similar outburst of jingoism was exhibited\* in the House of Lords on May 31st 1921. Lord Montagu of Beaulieu raised a debate on the question of providing for the better defence of the North-west Frontier of India. His panacea for all 'our' trouble in that quarter seemed to be the occupation of the tribal territories through the employment of largely increased armed forces. In no other way, said he, can we preserve our damaged prestige in our Eastern Empire.

The noble lord drew a very alarming picture of the state of things on the frontier where, he said, a small army had to face numerous and treacherous enemies amongst the tribesmen, backed up by a menacing host of Afghans and untold millions of Bolsheviks! He asked the Government to consider their whole frontier policy. He sketched a programme of "strategical development" which, if carried out (though he did not mention this aspect of the matter), would inflict still heavier burdens upon the taxpayers of India than they have to bear to-day.

Failing the adoption of such measures, Lord Montagu spoke in the most doleful terms of what might possibly happen to "our prestige" in India in the event of our suffering a serious reverse on the frontier. The moral which many people in India would draw from such a catastrophe, he warned the House, would be that "we were not strong enough to go on governing India," and the consequences would be disastrous to 'our prestige.'

Lord Sydenham was the appropriate seconder of this pessimistic rigmarole. He quoted Lord Kitchener as being in favour of the policy of occupying the whole of the tribal territories, and went on to complain about the new doctrine of self-determination and Montagu-reforms which were allowed to stand in the way of the execution of such superior schemes.

Lord Chelmsford pointed out that the tribesmen were more formidable than they were a few years ago because they were now armed with modern guns while the efficiency of Indian troops had decreased owing to the dilution of the Indian Army during the war. Action taken with regard to the Mahsuds had been a salutary warning to other tribes who now understood that if they misbehaved they would be punished in the same way. Recent Anglo-Afghan discussions would have a very salutary effect, as they would let the Afghans know how far we were prepared to go. Lord Chelmsford hoped that we should get something very valuable out of the Dobbs Mission and considered that it would be most unfortunate if anything were said at that time to prejudice it or to create misunderstanding.



Lord Lytton replying said that military reasons debarred him from discussing certain points including the Mission to Afghanistan, but emphasised that the presence of Lord Chelmsford gave a tremendous advantage to the House. Lord Lytton stated that in view of the failure of certain militia corps the covering force in future would consist of regular troops supplemented by levies and militia. It was impossible at present to say how long the occupation of the frontier territory would last or the strength with which it would be continued, but the Government of India was determined not to lose the present opportunity of concluding the best and most enduring settlement devisable with the tribesmen. Military measures being taken were the provision of a sufficiently strong covering force along the frontier and a striking force composed of all suitable arms, and the military authorities were endeavouring to make the best possible use of modern mechanical appliances apart from the air force with which India was well equipped. He drew attention to the question of evolving a type of tank suitable to the country and the provision of armoured cars. A very large amount of mechanical transport had been provided, the policy of increasing motor transport had been continued, and roads were being developed as far as financial considerations allowed. With these resources, he assured Lord Montagu, they had little to fear from the martial tribes of the frontier.

#### **The Nankana Tragedy**

The same day Lord Sydenham mentioned the Nankana murder and horrified the House by attributing it to the political agitation amongst the Sikhs which, no doubt, he wanted to be strangled. In reply Lord Lytton gave the true facts of the case and disabused the House of the mischievous suggestion made that the affair had any political significance, and emphasised that Govt. had in no way any concern with the matter except to restore order and to prevent further bloodshed.

#### **The Burma Bill**

On June 8th the Burma Reforms Bill came up before the Lords for the second reading. Nobody except the inveterate Lord Sydenham showed any disposition to quarrel with the recommendations of the Joint committee. Lord Sydenham again gave expression to his usual jeremiads against anything savouring of constitutional progress in India or Burma. He declaimed against the Montagu diarchy. Wait, he said, until extremist Ministers are in office with an extremist majority behind them in the council, and then we shall see the beauty of diarchic co-operation in the Govt. ! Lord Lytton, who introduced the Bill, said that Lord Chelmsford and others who



had originally opposed constitutional reforms in Burma had then been converted to the policy of the bill, and that there was no longer any difference of opinion on the subject between the Govt. of India and the Sec. of State. At the end, however, Lord Sydenham withdrew his motion for the rejection of the Bill. The Bill again came before the House on June 28th for the third reading which was passed without opposition. The Bill presented was on the lines of the Govt. of India Act, and the rules as to franchise, transfer of subjects, etc., were left over to be drawn up by a Committee under Sir A. F. Whyte after local investigation.

*HOUSE OF LORDS—7TH. JULY 1921*

The question of Indian unrest was again raised in the Lords, on July 7th, when Lord Sydenham asked what steps the Govt. of India was taking to protect the lives and property of Europeans and loyal Indians in country districts where, he said, anxiety prevailed. His Lordship, enlarging upon the situation, referred to the extremely dangerous conditions to which the people were exposed and the evil effects of Mr. Gandhi's agitation which were much more dangerous than an open rising which could be suppressed. He then went on making the most absurd statements about the riots that were then rife in India and demanded more repression than what was being adopted by the Govt. in India at that period.

Lord Lytton, after pointing out that it was the elementary duty of every Government to suppress disorder and protect life and property, said he was not prepared to subscribe to the very gloomy picture drawn by the questioner or to agree to the assertion that the only place where Europeans were not insulted in the streets was in the Native Indian States. He proceeded to refer to the rabidly worded messages periodically sent by the "Morning Post's" Calcutta correspondent who had circulated a story absolutely without foundation regarding a mutiny in a Sikh Regiment which was disbanded after eighteen men had been shot. Lord Lytton expressed the opinion that the story had been circulated with the direct object of discrediting the Government of India at the present time. His Lordship next disagreed with Lord Sydenham's description as a non-alarmist body of the European Association which had recently appealed on the subject of danger to life and property. Lord Lytton said he regarded the Association's paid agent and lecturer in Britain as an alarmist source of information. He described the latter's activities in detail including his alleged statement that Civil Service officers were so hampered by the India Office that they could not possibly do their duty and enforce law. That agent had also written to members of Parliament saying that Government



was expecting a rising in Bihar during the current month and that all Englishwomen, unable to leave owing to sickness, would certainly be horribly murdered; Lord Lytton strongly denounced such actions. He contended that it was the duty of nobody to communicate with the Government if they received information tending to the belief that there was a critical situation in India requiring prompt measures. The Viceroy had replied to the Imperial Government's enquiry that the statements were greatly exaggerated and although the situation in May was creating a great deal of anxiety it was now considerably relieved. Moreover, the Government of India did not anticipate a rising. The only ground for the support of that story with regard to Bihar had been found in a statement of an officer of the Bihar Light Horse while addressing his men. The Association's agent had circulated this with his own improvements! The statement owed its origin to the intelligible and greatly to be sympathised with fears of planters of whom the Bihar Light Horse was largely composed. The Viceroy's telegram concluded by saying that the agitation had declined, that bitterness of feeling against Europeans was less evident and that the planters themselves were less apprehensive of trouble. Lord Lytton said he did not want to err on the other side by rebutting Lord Sydenham's gross exaggerations by drawing a fanciful or in any way rosy picture of the state of affairs in India but he condemned that sort of calculated misrepresentation.

Lord Lytton next referred to Mr. Gandhi as a man many of whose followers credited him with supernatural powers, and even divine origin, and it spoke very much for the good sense of Indians and the wisdom and discretion of the authorities that in these circumstances the situation was not very much worse. He declared that despite intense effort the Non-Co-operation movement had hitherto been a conspicuous failure. It had failed lamentably among the educated classes and even the phase of temporary success among young students had passed. He did not deny that there was grave danger in the present phase of campaign by which the movement was harnessing itself to labour disturbances, notably cooly tea planters in Assam. He expressed the opinion that the worst features at present were attempts to boycott individuals and the endeavour to withdraw domestic servants but he disagreed with the view that the recent interviews between Mr. Gandhi and the Viceroy, to which Lord Sydenham referred in the most scathing term, had tended to increase the former's importance and belief in divine origin. The fact that Mr. Gandhi had found it necessary to explain and excuse himself to his followers for his meeting with the Viceroy was evidence to the contrary.



Lord Lytton declared that the Government of India and all Provincial Governments were thoroughly alive to the present dangerous phase of the campaign. Lord Lytton referred to the complete and practically unanimous confidence reposed in Lord Reading when he left Britain for India since when he had done a great deal to enhance his reputation. Lord Lytton touched on the discretion and promptitude of Lord Ronaldshay's Government which had minimised the seriousness of the exodus of coolies from Assam to Eastern Bengal and had also checked the spread of cholera. With regard to Bihar, he said it was only right and due to Lord Sinha to say that the Imperial Government had absolutely complete confidence in the efficiency, courage and wisdom of his administration. Lord Sinha had recently shown all those qualities in a circular issued to officers in his Province setting forth his Government's attitude towards the Non-Co-operation movement. The document lacked nothing in the way of precision and courage. It had immediately evoked the most vigorous protests, criticisms and abuse from the vernacular Press. Lord Sinha was in a most difficult position, said Lord Lytton, though, he assured their Lordships, he might be trusted to deal with it with courage and discretion. Concluding, Lord Lytton asked Lord Sydenham not to be led astray by what in many cases were deliberately exaggerated press accounts of what was occurring in India. He said that the men on the spot, in difficult and anxious circumstances, were entitled to the support of people at home. They had the Imperial Government's full and unabated confidence.

After Lord Sydenham had briefly replied, the matter was dropped. But the full force of the Die-hard opposition was felt some months later, after the news of the Moplah outbreak had reached England, and there was revived a frenzied alarm at the progress of Non-co-operation which was denounced to have roused the Moplahs into fanaticism. On October 25th 1921 Lord Sydenham called attention to this episode in the administration of the Malabar in 1921. The following is a short account of this long debate in the House (the official report of this debate occupies some 65 pages):—



## HOUSE OF LORDS—25TH OCTOBER 1921

Lord Sydenham in calling attention to the position in India said that since Mr. Montagu took office there had been a long, disastrous series of mistakes leading to the weakening of authority. He declared that the elections in India conclusively demonstrated that India was unfit for the new constitution, the effect of which had been a great increase of organised agitation against British rule. He stated that the Moplah rebellion was organised under the eyes of the Government. The influence and prestige of the administration in India were tending to decline. The great Services, which had made India what she was, were visibly crumbling away and were becoming disheartened and there was nothing in India which could replace them. Lord Sydenham strongly criticised the disbanding of the units of the Indian Army and the reduction of the British Forces.

Lord Curzon declared that when Lord Sydenham suggested the desirability of an early debate Mr. Montagu agreed that it would be most undesirable that the debate should be held at present and urged postponement. Lord Curzon considered that it was unusual, almost unprecedented, that the request for postponement should be ignored when made by the leader of the House. The Viceroy had been assured that complete and unanimous support of the Government would be given in any action he takes. The Viceroy possesses full powers at any time or date to act in the manner he thinks desirable for the maintenance of law and order in India. In these circumstances it would be intolerable that the House should be invited to interfere or debate, even to suggest action to the Viceroy. Lord Curzon dwelt upon the danger of Lord Sydenham's speech being misinterpreted in India. The second consideration was that the report of the House of Lords' debate might exercise the most deleterious influence in India at the beginning of the Prince of Wales' tour. "To-morrow the Prince of Wales leaves England with expectation on our part and his personal desire of adding materially to the great services which he has already rendered by similar tours in other parts of the world. Wherever he has gone, he hitherto has been the herald of good understanding and good-will and the harbinger of peace. In India his wonderful winning personality, his record, his quite uncommon power of speech, wholly apart from his illustrious rank and position, will make a most definite and desirable impression among not only the Princes but the masses of India." The question whether the Prince of Wales should go had been most seriously considered. The decision that the tour be proceeded with was arrived at after the united advice of the Viceroy and his colleagues, who.



were prepared to guarantee that every conceivable precaution would be taken and that nothing would be left to chance. Lord Curzon urged the Lords to combine in order to start the tour which was fraught with great possibilities in an atmosphere in which there shall not be a single jarring note. It would be a great pity, almost a crime, if anything were said in the House of Lords that cast any cloud upon the progress of the young Prince in that great Dominion, which, if the tour proceeds with the *eclat* attending the previous journeys, may carry the message of good-will fraught with much blessing to India.

Lord Amphill drew attention to the discontent of the Indian Civil Servants who had performed magnificent services, and he enquired into the question of proportional pensions for those who had resigned in consequence of the new regime. He complained that the Hindu appeals for protection in Madras had been insufficiently heeded, and asked why it was not possible to check the Mopla rebellion at the outset. Lord Amphill dwelt upon the case of Mr. Grant in Bihar and Orissa, who, he alleged, was unable to obtain police protection, and asked why Sir Thomas Holland's colleagues, whom he consulted before the munitions decision, had not also resigned, seeing that they were partly responsible.

Lord Middleton asked the Government to give a pledge, firstly, that no action would be taken on certain points pending Parliamentary discussion, secondly, that the Government should not plead that the acceptance of the policy precluded a criticism or reversal as Parliament alone had absolute responsibility for the future of India.

Lords Salisbury and Crew declared that a short postponement of the debate was of no use whatever. The question was whether the Parliament ought to forego the right of criticism at the present juncture or not.

Lord Chelmsford declared that the dominating factor in the Indian situation was race and colour prejudice, an issue which has not an Indian but a world-wide symptom, namely the revolt of the colored race against the ascendancy of the Whites. It might not be unfairly said that we formerly governed India on the basis of the superiority of the British race, which was now challenged in a manner we were unable to ignore. It is only through the Councils on which Englishmen and Indians meet that an understanding would be reached which would ameliorate the present racial feeling. He denied Mr. Montagu's responsibility for the policy of the Indian Government regarding Non-Co-operation which was initiated by himself. It was desirable that Non-Co-operation should be rejected by the Indians themselves, imbued for the first time with responsibility. He



believed that the Mopla rising was one of the greatest blows against Mr. Gandhi, and it undoubtedly had alienated an enormous amount of public support. In conclusion, Lord Chelmsford urged the House to trust to the Viceroy and the Commander-in Chief and to forbear from making their task more difficult by gloomy apprehensions or doubting fears.

Lord Summer urged the repudiation of the munitions case which, if it recurred, would undermine the Government by discrediting British rule.

Lord Meston said that the issue was between strength and patience, not strength and weakness. They still believed that it would be possible to bind India closer by more durable ties to the British Empire than she was to-day. The policy of patience and tolerance was to a large extent already justified by the manner in which the people were co-operating with the Government against the very fire-brands whom otherwise they would have regarded as heroes and martyrs. He appealed to the Government on behalf of the Civil Servants who were squeezed between two mill-stones and required increasing heartening and encouragement.

Lord Lytton emphasised the fact that the Government did not desire to avoid criticism or to refuse the House a full opportunity of discussing the situation in India, explaining that they only wished a postponement of the debate in order to obtain information. He reiterated the assurance that the recommendations of the Joint Committee regarding the retiring Civil Servants had been fully accepted. The delay in issuing the retirement proposals arises from the Government's desire to fix a fair and generous scale of pensions. The Government is issuing immediately a White Paper on the subject of the Mopla rebellion. He stated that Lord Ampthill's information regarding the Grant case was inaccurate and misleading. Lord Lytton declared that it was unnecessary to ask for the repudiation of the Calcutta Munition case as it had already been repudiated by the Viceroy who had taken steps to ensure that such a circumstance would never recur. The Committee of Imperial Defence was considering the size of the Army necessary for the internal and external protection of India. When the Government had been informed as to what army was necessary, such forces would be provided. He protested against Lord Sydenham's representation of India as seething with rebellion and sedition and also against the suggestion that the officers of the Indian Service were unable to rely upon the loyal support of the Government. Lord Lytton proceeded to make a long defence of the Administration's policy, at the conclusion of which Lord Ampthill withdrew the motion for papers.



# India in Parliament 1922

The attitude of the British people and of Parliament from the beginning of 1922 towards India was one of stubborn hostility. The progress of N.C.O and the boycott of the Prince of Wales had created panic, and all sorts of exaggerated rumours, adroitly manipulated by the O'Dwyer-Sydenham gang of Die-hards, were allowed a free flow in the British Press. This hostility was soon transformed into a dead hatred of Mr. Montagu whose Reform Scheme was taken to be the parent of all evils, and he and his administration came to be looked upon with thorough-going aversion. The cry was raised from all quarters for drastic repression in India and the instant arrest and deportation of Mr. Gandhi. The O'Dwyer-Sydenham party of die-hards began an intense campaign of vilification and misrepresentation of India and Mr. Montagu, and demanded the latter's resignation as a preliminary to the adoption of sterner measures of militarism in India. Their organ, *The Morning Post*, cried outright for the execution of Gandhi. The more moderate section of the British Press, including *The Times*, was however unanimous for the adoption of a policy of a 'strong hand' in India. Nor were responsible ministers of the crown less vocal. Mr. Churchill speaking at the Kenya dinner at the end of January (*see post*) made it quite clear that the cry of equality raised by Indians in Crown Colonies had to be discountenanced and that 'such colonies were to be exclusively kept a 'White' preserve. This was the first outspoken statement of a responsible minister of the Crown on the status of Indians. A couple of days later Lord Birkenhead, the Lord Chancellor, in the course of a speech in London referred to the 'formidable movement in India' and said that 'it was not inconceivable that we may have once again to prove that the British Empire retains the hard fibre which brought it that Empire'. This was followed by the first public utterance of Mr. Montagu himself. Speaking at the 1920 club on Feb. 9, 1922 on the situation in India, he tried in vain to neutralise the efforts of the imperial jingoes. As to Mr. Churchill's statement, he said that the views expressed by that gentleman was that of the Colonial office alone but the subject had still to come before the whole Cabinet where the conflicting views of the Colonial and the India office on the Indian question had to be harmonised.

## Mr. Montagu at the 1920 Club

In that speech Mr. Montagu admitted that the situation in India was causing grave anxiety. Amongst a multiplicity of



causes of unrest, he placed in the forefront the prolongation of war between Turkey and Greece and pointed out that a large number of riots had been of Mahomedan character. In addition to economic causes, events in Ireland, Germany, Russia and Egypt were bound to have repercussions in India. Bolshevism, declared Mr. Montagu, had done its utmost to instil poison into India ; but it had been unsuccessful in getting an appreciable extent across the frontier, because the soil of India was almost as uncongenial to the growth and horrors of Bolshevism as the soil of Great Britain. Mr. Montagu contested the assertion of his detractors that it was impossible to introduce democratic institutions into India and declared that it was out of question to tell India that Britain was now going to withhold what she had taught her to expect for 150 years. If the ideal of making federated India a partner in the Empire failed, the world would be the poorer, but if it succeeded it would be the finest of the great works for humanity which Great Britain had accomplished. Mr. Montagu emphasised that the policy of Govt. towards India remained as laid down in August 1917 and subsequently ratified by Parliament and proclaimed in India, namely, to do its best despite obvious difficulties and obstacles, as surely and quickly as it could, but not more quickly than circumstances demanded, and to lead India stage by stage and step by step to some form of Self-government and partnership within the British Empire. Referring to the necessity of a sincere policy, such as in the matter of the status of Indians abroad, where much equivocation prevailed, Mr. Montagu emphasised that they must show India that progress, if slow, was not due to the faltering determination on the part of Great Britain, but because it must take time to overcome obstacles. He urged that Britain as the trustee of the destinies of India had to set her hand to the difficult task which must be pursued with consistency. The Government of India Act was the first instalment which had got to be tried and justified before the next instalment was offered. Similarly, with the indianising of the Civil Service, if it were proved that the great tradition of the Service could successfully be carried on by Indians, he did not doubt that Parliament would be willing to entrust the Service to India. But mere demand or bullying and libelling of Indian Public Servants would not bring that time nearer by a single day. Mr. Montagu paid the most glowing tribute to the loyal and devoted work of the Indian Civil Service and promised his protection and support in the work it was still called upon to perform. He concluded by urging that progress was made by evolution not revolution, and there was no remedy for disturbers of peace of India but rigorous enforcement of law and protection of law-abiding citizens. He maintained that



if they were determined that the Govt. of India should grapple with anarchy and intimidation, such policy was not repression but only the ordinary duty of Government. He would say to the Moderates in India that one lesson of Self-government must be that those who wanted Government were prepared to say that the force which they challenged must be the ultimate weapon of every Government, whether alien or indigenous. It was no use to demand Self-government and at the same time shrink from supporting Government which gave protection.

#### The Opening of Parliament

All this platitude was, however, of little avail, for his audience did not swallow his high talk of partnership in the commonwealth and all that rhetorical effusion. At the end of the speech he was heckled by questions as to why Gandhi had not been arrested, and taunted with remarks that he was the friend of that 'arch agitator.' His real trial came a week later, on February 14th. 1922, in the House of Commons, when a motion of censure on him was brought in by the leader of the die-hards in the Commons (see p. 105) and it was only saved from being carried by the skilful manipulation of the party votes. They were soon able to unseat Mr. Montagu who was summarily dismissed by the Premier (Mr. Lloyd George) early in March, 1922, and his place given to Viscount Peel, a staunch Tory, whose ignorance of India is as profound as is his reputation as a reactionary. The circumstances attending his dismissal is given fully in the following pages (Pp. 137-74).

Parliament opened on February 7th. 1922. In the King's opening speech there was no reference to India. Moving the address in the House Captain Douglas Hacking said in connection with the Prince of Wales' visit, that the Prince had won the hearts of the Indian people and that his Indian tour could be described as nothing less than a triumph. Captain Evans seconding the address also referred to the Prince's Indian tour in glowing terms and described the event as of Imperial and even wider importance. Others, however, were not so optimistic and openly expressed their great anxiety and chagrin at the turn of events in India.

General Page Croft said they had to consider not only whether Egypt and India were paying propositions but what was their duty to civilisation. The more we allowed rebellion, he said, to gain hold in India the harder would be our task. There was far greater peril in India than there had ever been in Ireland and the sooner conferences between the Government and Mr. Gandhi ceased the more likely would peace be restored.



Mr. John Ward said the cause of the Indian Secretary's trouble was that he was trying to graft things that were the mental outfit of the British on an oriental country like India.

Lord Curzon on India.

It was, however, in the House of Lords that the most straightforward statement of policy was made about India. On Feb. 7th Lord Curzon, in the course of a lengthy speech reviewing the state of affairs in the whole Empire, made it plain that the real Imperial policy in Egypt and India was one of blood and iron against national aspirations. If there be unrest, it should be ruthlessly put down. If volunteers organised public opinion, they should be ruthlessly broken up. If newspapers proved plainspoken and inconvenient, they should be muzzled, and 'that great dependency', meaning India, was always to be the concern of Britishers alone. The following is a summary of his statement on India :—

He described the situation in India as anxious and menacing. He attributed the ferment in India with its recent explosions to the reflex influence of the war which was expressed in India, as in western countries, in increased prices, stifled trade, high taxation, and also to some extent to persistence of embittered memories of the events of 1919, and partly perhaps to Islamic agitation which was being pursued in India not exclusively, not even mainly on its own merits, but often on seditious grounds, and it was due to that feeling, spreading everywhere throughout the Eastern world and being enormously exaggerated by the preachings during the war, that the feeling for Self-determination, Self-Government or whatever phrase they liked to employ was surging in the minds of all Eastern peoples.

His Majesty's Government, in respect to Self-Government for India, felt that they meant to go as far as they reasonably and safely could, on the lines indicated in the proposals of 1917. They could not allow this policy to be defeated by the clamour of agitation or revolution. There was no intention on the part of the Government of India or the Government in Britain of being intimidated in the prosecution of their task. A systematic terrorism of loyal citizens in India, formation and drilling of volunteers in opposition to Government, and preaching and practice of disobedience to law could not be tolerated. If organisations existed for the promotion of these things, they must be suppressed. If individuals preached those mischievous doctrines, as they were doing, they must be prosecuted. Lord Curzon declared that if newspapers spread, as they were spreading, this peculiarly dangerous form of poison, they must be disallowed. The time had certainly arrived, and it ought never to be absent, when while making concessions to popular feeling, respect for law must be enforced. Those briefly were the general conditions in India, and represented the view taken of them by His Majesty's Government with regard to that great Dependency.

Lord Islington severely criticised the Government's record for the past three years. He declared that the difficulties throughout the whole of their Eastern possessions were due to the failure of the Government to make peace with Turkey with the result that the whole Moslem community throughout the world was becoming increasingly disturbed and alienated from Britain. It was the chief weapon of the arch-agitator Gandhi. Moslem unrest in India was directly attributable to it. Lord Islington asked why Gandhi was not arrested when thousands of his followers were imprisoned. It was temporising with a



madman of influence. Mr. Gandhi definitely preached anarchy and removal of all associations with the British in India. It appeared to him to be an abrogation of the fundamental duties of a Government to let him remain free.

The amendment to the address moved by Sir W. Joynson-Hicks on the 14th February 1922 in the Commons was a motion of censure on Mr. Montagu. Sir Michael O'Dwyer was the chief purveyor of materials with which a case against the India Office was strung up. "You have broken the heart of the Civil Service", cried Sir Hicks to the accompaniment of indignantly prolonged cheers, and in this performance he was supported by Mr. Rupert Gwynne who had, since the Dyer controversy, been carrying on a personal vendetta against Mr. Montagu. Mr. Montagu made a poor reply and the support of his chief, the Premier, was but lukewarm.

The Labour Party, whose spokesmen would have given some expression to the views of India, were very badly treated. Not one of their men got an opportunity of taking part in the debate. Colonel Wedgwood was in attendance throughout and tried several times to catch the Speaker's eye but without success. As a protest the Labour Party withdrew from both the debate and the division.

After the Joynson-Hicks amendment was defeated the Kenya question was taken up, especially Mr. Churchill's Kenya Dinner speech and Mr. Montagu's repudiation of the same. Colonel Wedgwood, wanted to know whether Mr. Churchill had consulted the delegation from the Kenya Indians or only Lord Delamere and the European delegation, and why the resolution of equal rights passed at the Premiers' Conference was to be ignored in East Africa?

In his reply Mr. Churchill stated that the negotiations conducted locally had failed to reveal any common ground for settlement between the European and Indian communities. Then he went on to give another of his characteristic "inexactitudes" by saying that he had not consulted either of the delegations when, in the very next breath, he admitted that Lord Delamere and his friends had interviewed him at the Colonial Office. He next wriggled out of the Imperial Conference resolution by saying that its application must in each case "depend upon the local circumstances".

In reply to further questions the Colonial Secretary admitted that he made his Kenya speech without the India Office being aware beforehand of its purport, and also that the matter had not been specifically before the Cabinet.

The new Tory regime in the India Office began in March last after Mr. Montagu's forced resignation, but the final betrayal of India came later, in August last, when the Premier Mr. Lloyd George delivered his notorious 'steel-frame' speech (see p. 208xxv).



## The Amendment to the King's Address Motion of Censure on Mr. Montagu

HOUSE OF COMMONS—14TH FEBRUARY 1922.

Sir W. Joynson Hicks (Twickenham, C. U.) moved, as an amendment, to add the following words:—"And desire to express our view that the present position of unrest and lawlessness leading to constant breaches of the peace in India is the direct result of the administration of the Secretary of State during the last three years, and trust, your Gracious Majesty's Government will take immediate steps to restore law and order, and to establish the security of life and property in that country." He said he did not disguise the fact that the motion was in effect a censure of the Secretary of State in India for his actions during the last three years. The right hon. gentleman had used his position as a Liberal Minister in a Coalition Government to govern India in accordance with Liberal and Home Rule ideas. Many members felt that that was not a fair position for a Minister in a Coalition Government to take up. Not merely by legislation, but by administration, the right hon. gentleman had pursued a line of conduct which was not in accordance with the views of a considerable number of Conservatives in that House (cheers), and of Conservatives, he believed, universally, outside the House. The right hon. gentleman held that a Government, though bad, if free, was better than a Government, though good, if autocratic. He himself held that in a country like India it was far more important to have good Government, though autocratic. His charge was not that the right hon. gentleman had brought in reforms—they had been accepted, though many did not like them—but that since these reforms he had by his conduct encouraged the extreme party in India (cheers), and failed to take the steps or to request the Government of India to take the steps that should have been taken to maintain law and order.

The Prince of Wales's great personal popularity had carried him through India with the same rejoicing as he met with everywhere, but we now know what had taken place behind those rejoicings. In Bombay when he arrived, there was an orgy of rioting for four days, 58 persons being killed and 381 seriously injured. Remarking that the *Times* had been a strong supporter of the Indian



Reforms, he quoted a message from its correspondent, saying that it was useless to pretend that the situation in India was not most serious, and that it became daily more difficult to find any one who believed in an ultimate solution without what was euphemistically known as trouble. Lajpat Rai who was permitted not long ago to return to India, was the man who in America was the head and forefront of the German Indian propaganda. He received money from Germany to spend in America, in order to create disturbances in India. Persons like him seemed to pot in and out of prison like jacks in boxes according as the Secretary for India thought a little more clemency was desirable for these people who were disturbers of the peace in India. He did not believe that this country understood the position to which India had arrived during the Government of the right hon. gentleman. Gandhi was a friend of the right hon. gentleman, who had told the House that he was proud of his friendship.

The hon. gentleman went on to quote from statements by Sir William Vincent and Sir Harcourt Butler, Governor of the United Provinces, to show the dangerous condition of affairs in India at the present time. The right hon. gentleman, he said, was responsible for that state of affairs. If the House of Commons allowed that position to go on after that day, they would take over from the right hon. gentleman the responsibility for it. To placate your enemies was regarded as a sign of weakness in India, and attempts to do so had merely led to a fresh campaign. There was no agitation in the Native States, where they knew how to deal with agitators. The form of Government India had for over 2,000 years was the form the people understood, and in the Native States the right hon. gentleman had not been able to stir up discontent. When the attempt to seduce our troops began in 1919, two agitators were prosecuted, and the trial took place in gaol, presumably for fear of demonstrations. Gandhi and the Ali brothers outside the gaol repeated the language for which their dupes had been arrested and challenged the Government to arrest them. They were left alone, but the men in gaol were not friends of the right hon. gentleman.

He suggested that there had been a criminal betrayal of every white man and white woman in India all through 1919, 1920 and 1921. At least 1,000 people had been killed in India during the last two years in riots and rebellion, and the right hon. gentleman could have avoided a great deal of that if it had not been for his mistaken idea of "letting the thing run." (Hear hear.) We had sent our Army into India; we had sent our young men; we had sent the finest Civil Service the world had ever seen (Cheers).



The right hon. gentleman had broken the heart of the Civil Service. (Loud and prolonged cheers.) Sir William Vincent was authority for the statement that, at the last examination for candidates held in England, there were only three Englishmen who passed out of 86: the candidates were nearly all Indians. Men who were in the Indian Civil Service would not send their sons into it; they would not be Indianised by the right hon. gentleman. (Cheers) A prominent official had written: "It is rather heartbreaking to see the work of the I.C.S., all turning to ashes." He could not say anything worse of the right hon. gentleman's administration than his treatment of the Indian Civil Service, which had stood for British prestige and for the rights of the under-dog in India—for the rights of the 300,000,000 illiterate men in India and not for the 1,500,000 agitators. (Cheers) The hon. gentleman had sided with the agitators. (Renewed cheers.) It was not too late now, if the right hon. gentleman would move quickly. (Cries of "Move away.") He was assuming that the right hon. gentleman would retain his position. (Cries of "No, no.") Great Britain was still proud of India; proud of the civilisation which had been given to that great country, which was still regarded as "the brightest jewel in the British Crown." (Cheers.)

#### Another Tory outburst

Mr. Gwynne (Eastbourne, C. U.), in seconding, said that during the last three years there had been more deaths, bloodshed, disturbances and destruction of property than in 60 years under the old policy. No doubt the right hon. gentleman would say, as he had said time after time in this House, that he left matters to the Government of India and to the local Governments, but he had repeatedly interfered with those Governments, and his first act after assuming office was to give instructions that the persons imprisoned for having stirred up disorder in India should be released. Even if the right hon. gentleman's statement were accepted, he was responsible to this House. (Cheers.) His method of trying to cast the blame on to others was not English. The right hon. gentleman held office by reason of the fact that his immediate predecessor (Mr. A. Chamberlain) resigned because not he, but some of those under him, had caused an unfortunate muddle in India. The appalling muddles which there had been during Mr. Montagu's tenure of office would have caused any ordinary individual to have resigned, but the right hon. gentleman preferred breaking the soldier, sacking the civilian or doing anything in order to save his own skin (Cheers.) Within a week or 10 days after the order had been made to remove Mr. Gandhi from the Punjab, the right hon. gentleman paid a tribute



to Mr. Gandhi as a man of the highest motives and the finest character who had deserved well of his country.

The agitation had not died out, on the contrary, the Mopla rebellion had taken place and there had been 4,000 or 5,000 deaths, hundreds if not thousands of women had been outraged and property had been damaged, because the right hon. gentleman would not act. Did he realise that he was responsible for the loss of those lives? In the Punjab, the death roll was less than 500 and the rising was over in two weeks. General Dyer stopped the rebellion, but the right hon. gentleman referred to the talk about dreadfulness as deplorable and as terrorism, although he was a member of the Government who started reprisals in Ireland. After the 1919 rebellion in India more than 1,000 persons who had been convicted were released, including 88 men who had been sentenced to death.

It was not only the Army, it was every service in India which had been absolutely disheartened and disgusted by the treatment which they had received from the right hon. gentleman. He was driving out from India every Englishman of the right type, and making it impossible for them to go out there. (Cheers.) While he remained in the background, he was working underground. The right hon gentleman's methods were those of mole—he went on burrowing, and one did not notice for a long time the destruction he was making. He had undermined the whole of our work there during the last 100 years. (Cheers, and cries of "No!") He (Mr. Gwynne) once asked a gardener what was the use of moles, and said he supposed it was the skin. The gardener said: "Oh! no, the skin is too thin." That was not one of Mr. Montagu's characteristics. His skin was not thin, no hippopotamus's skin could be thicker. The right hon. gentleman's continued occupancy of the office he held was a grave peril to this country, (Cheers.). Over 90 members of the House had signed a petition to the Prime minister stating that the right hon. gentleman had lost the confidence of the country. The right hon. gentleman had consistently adopted a policy of pandering to the extremists. If they were to restore order in India the right hon. gentleman was not the man to do it. He assured the right hon. gentleman that there were a great many supporters of the Government who did not look on him as one of the indispensables. It was a disgrace to the Government of this country that anyone who had made such blunders as the right hon. gentlemen should remain in office as Secretary of State. (Cheers.)



# 119496 119498 Mr. Montagu's Reply

Mr. Montagu, in his reply, expressed surprise that in a discussion on Indian affairs, suggested by Sir D. Maclean, the spokesmen of the front Opposition bench should have been Sir W. Joynson-Hicks and Mr. Gwynne. Sir W. Joynson-Hicks had mentioned the statement he made sometime ago that Mr. Gandhi had been and was a friend of his (Mr. Montagu's). No sooner did he become convinced that Mr. Gandhi was dangerous to the Indian Empire, than, in answer to a question in the House, he explained that any friendship which had existed must cease. The hon. baronet had said that the Secretary of State was responsible for everything, that it was the direct result of his administration that India to-day was, as he frankly and freely admitted, causing the gravest anxiety. Part of this accusation was based on policy ultimately accepted by the House. But there were some causes of the present condition of India which could not be affected by whoever happened to be Secretary for India. There had been a steady growth in India of—he would not say race antagonism,—but race consciousness. It received a great inspiration during the war. Whilst he thought this great controversy had been the cause of considerable unrest, he did not think it was something which the House ought to lament. It would add to the strength and vigor of the Indian peoples. If it was used by India for co operation in the preservation of the Indian Empire, he believed any present difficulty arising from it would disappear. The next great cause of trouble in India for which his presence as Secretary of State could not be held responsible was the economic situation of the world. India was highly taxed, and prices were very high and the population was very poor. There was only one cure, and that was in the development of the industrial and agricultural resources of India in order that the people might become richer.

## Indians and Turkey

Our rupture with Turkey, the Treaty of Sevres, and the continued hostilities between Greece and Turkey were also profoundly affecting the peace of India. The Government had never failed to represent the views of Indians on this subject, but he could not claim that the Indians should dictate to us the peace with Turkey. What he asked the House was to remember that it was largely by the efforts of Indian troops that Turkey was conquered, and that ✓



they were entitled to every consideration in the ultimate peace. Nothing could give a greater immediate contribution to peace in India than complete agreement between the Allies which would lead to peace and good relations between Greece and Turkey. There were feelings which resulted from the events of the Punjab in 1919 following the outbreak there. He felt absolutely convinced that the best contribution they could make to peace in India was not to discuss the matter. He did not think that they could do better than follow the suggestion made by the Duke of Connaught, who had rendered great service to the Indian Empire—never more than by the sympathetic and eloquent speeches he made last winter—and on both sides try to forget.

Coming to the unrest caused by the general disturbance of the world, the right hon. gentleman said that ever since the Government of Russia fell into the hands of those who were exponents of the ruin-producing doctrines of Bolshevism, India had been the object of their propaganda in the jargon of those who sympathised with them as a means of striking at the capitalistic countries of the world. India was not a fertile soil for Bolshevist doctrine, but nevertheless he was afraid Bolshevist doctrine had contributed something to the unrest, and he wished to pay a tribute to the splendid organisation which had been built up against that menace, and for confining the subterranean devices which had been employed. The best evidence he could give of the success of that organisation was that Bolsheviks themselves had rendered a tribute to its efficiency by recalling some of their agents because of their lack of success. Another cause of unrest in India was the beginning of the industrial development of the country and the development of a considerable population engaged in industrial labor. There were genuine causes of labor unrest, and the only remedy they could seek was a better industrial organisation, not necessarily on British lines, under which they would get more harmonious working between employers and employed. There had also been agrarian troubles as there always had been in India, particularly when prices were high.

#### Dissatisfaction with the Reforms

There were those in India who were dissatisfied with the Government of India Act. All he would say about that at the moment was that in the circumstances in which the experiment was launched, there was every reason to believe it was working well and that there was good hope of peace. When they considered the fundamental alterations made by the Government of India Act he did not think they ought to pass a judgment upon its working in one



short year. Indians were feeling acutely the difficult problems of their position in the Crown Colonies. He had to approach that question from an Indian point of view and try to be just to various considerations which were represented by the Colonial Secretary. (Cheers.) This matter was under discussion with a view to decision by the Government, and he hoped in the interests of the peace of the Empire satisfactory solution would be arrived at.

He accepted full responsibility for the maintenance of order in India, and he would tell the House how he had discharged that responsibility. It was no use telling Mr. Gwynne because not for the first time he had stated that he did not believe what he (Mr. Montagu) said. He could not hope to convert or convince an hon. member who for no shadow of reason had made that accusation against him ever since he had entered the House. (Hear, hear.) He had come to the conclusion that they could not maintain law and order in India from London. There had never been any doubt since he became Secretary of State that the Governments in India recognised their prime and essential responsibility for maintaining order. When he was satisfied of that he must leave to the Indian Governments the steps which were necessary to ensure that order was preserved. The Governments in India were dealing with these things in the way which seemed best to them. (Cheers.)

He had every reason to believe that they were worthy of the confidence reposed in them by his Majesty's Government, and that through them they would win through in India to happier times. (Cheers.) They could work these things in a one-sided way, and it was wrong and based upon a wholly erroneous conception to think that the Indian local Governments had been too slow. If they differed from Sir W. Joynson-Hicks, he begged him to remember that they had long experience, and were just as patriotic as he was. Indian Government was not so simple. When a question affected the whole of India, the Government of India was bound to take into account events, not merely in the provinces, but in the whole of India. There was no such mischievous rumour in the world as that they had made an exception of Gandhi and were interfering to protect him. When that mischievous rumour was first circulated months ago, His Majesty's Government told the Government of India that if, as appeared inevitable, Mr. Gandhi's arrest became necessary, they would, of course, have the whole-hearted support of his Majesty's Government. (Cheers.)

#### Mr. Gandhi's Changed Attitude

I want to say more than this, continued Mr. Montagu. As I understand it, the reason which animated the Government of India



was this. Mr. Gandhi began with certain activities, which nobody will stigmatise, for the promotion of temperance and for social reform, and has gradually started into one of the maddest political campaigns, step after step, and stage after stage, in each one of which he has failed, and been repudiated by the good sense of India. It is not a sin to think you are going to get Home Rule by spinning a cobweb, and it is not a sin to think you are going to get Home Rule by spinning a cobweb, and it is not a sin to think you are going to get Home Rule by stopping your practice as a Barrister. What happened was that at each stage Mr. Gandhi failed in his promises, and became discredited—I am not talking about the man, but about his objectives and methods which became discredited by thinking people. Now he has embarked on things which are dangerous in his anarchical mood; the Government of India are entitled to call upon the support of every well-thinking and loyal Indian in the measures that it may be necessary to take.

A few days ago I learned from the Government of India that they had issued orders for Mr. Gandhi's arrest. (Cheers.) Then came a dramatic change in the situation, of which I have only learned to-day. I gather that Mr. Gandhi and his colleagues have decided not to pursue civil disobedience, illegal activities, or to court arrest or imprisonment, or to picketing or voluntary processions, or public meetings. In view of this development, the Government of India have told me that they have postponed proceedings with a view to ascertaining how far these decisions mean a complete cessation of all illegal and dangerous activities, and I am sure the House will agree that his arrest will be essential if anything short of this is involved by the decision. (Cheers.)

#### The Protection of Civil Servants

Now I come to another suggestion made from the Opposition benches, which is that our officers cannot do their work in India because they are not assured of the support of His Majesty's Government and the Government for which they work. I admit that this feeling exists and nobody deplores it more than I do. I really think it is founded on a misapprehension, and very largely on misrepresentation. The position of officers in India has been made extremely difficult by the passage of the Reform Bill. That is why we accepted a recommendation of the Joint Committee in favor of the scheme of proportional pension. The Joint Committee of Parliament recommended that Civil Servants should be allowed to retire on proportional pensions. That recommendation has been accepted. We were very desirous of meeting the objections which have been raised, and the imperfections which exist are under con-



sideration. The scheme of reform has made their position different. There has been a transfer of certain responsibilities. There is also very great financial stringency and hardship which India in its present financial position is powerless to remedy. I can assure the House that the officers have been protected and supported not only by the local Governments, but by the Government of India and His Majesty's Government. Whenever the Secretary of State in Council has had reported to him conspicuous service in exceptional circumstances by much valued officers, he has never failed to express his appreciation. It is obvious that we owe it to the Service to reward their loyalty, and it is common knowledge that the Service of India has helped to work the reforms and make them a success with a loyalty traditional to that Service. We owe it to them, and we intend to discharge our obligation to protect them in the discharge of the duties with which they are entrusted, and to do everything in their support. That does not mean that whenever a public servant in India does anything which we may think is prejudicial to the interests of India we are to be debarred from expressing any adverse opinions. If it were the rule that every officer should do as he liked, and it was wrong for the Service to express an opinion, there would not be a Government of India, but the Government of India would pass into the hands of individual officers. It is because on occasion censure has been expressed that there has been a deliberate attempt to get the Service in India to believe that they are not being supported by the Government, and I assure the House there is no foundation for that belief.

I read a speech reported in the papers this morning. Sir William Vincent is the Home Member of the Government of India, and his speech has twice been quoted. I want to tell the House that it was at my suggestion that Sir William Vincent pointed out the prejudicial effects upon the Service which continual abuse has with regard to recruiting. I am not surprised at what he has said on that subject. It is quite true there were only three successful English candidates, but what the House must remember is that under the exceptional methods of recruiting we adopted we have got by selection 114 admirable candidates, and there is no reason to believe that by various kinds of methods there are not coming forward a sufficient number of recruits for the Indian Service. If there are not, the question of recruiting for the indispensable Indian Service will engage our most earnest attention.

#### The Government's Policy.

I want to say, if I may, one word on policy. The hon. member for Eastbourne (Mr. Gwynne) said our policy was unautho-



vised by the Government. I do not know what he means by that. The Declaration of August 24, 1917, was drafted by the Cabinet and made on the authority of the Cabinet. I really did not invent that policy. Sometimes it is attributed to my right hon. friend the Lord Privy Seal. I cannot give claim of parentage to him. It is a policy that has been developed from the days of Mr. Macaulay, and is the result of a century of British politics. I want to mention this because I want to say something to India. Our policy is the maintenance of the integrity of the British Empire, coupled with the grant of opportunity of development for full Self-Government within that Empire. I think I ought to say something about the conditions of that policy, because I do not think it is at present sufficiently understood by the Legislatures of India. His Majesty's Government announced the policy in 1917, and it was ultimately enforced by Parliament by the passage of the Government of India Act.

#### Future Steps.

I do not think there will ever be any question of going back on that policy, but I want to explain that, in my view, while there may be every reason for suggesting that Parliament was right, Parliament would not be justified at the present time in thinking of extending the scope of that policy. (Hear, hear.) It is true that when the Act was passed, it was intended to be a transition and that it was described as a first step towards further instalments of Self-Government; but it was made plain at the time, and I want to make plain now, that those further steps would depend upon Parliament becoming satisfied with the use made of the first instalment. (Hear, hear.) That was to be the criterion. Upon the Indians themselves depended the view which Parliament would take of future steps.

It was our view and our desire, and it is still, that if the matter went well eventually further steps should be taken, but it was the determination of Parliament that if the matter did not go well, no further steps should be taken. I ask for no judgment at this stage, but I think I do right in expressing my belief to Indians who are working these reforms and other Indians who are not that. I believe that, so far as this House is concerned, that criterion will not be departed from. To win their way to Self-Government, under the supreme and continuing authority of the King-Emperor, they must show not merely individually, but collectively, a readiness for what is involved in Self-Government, matters which were mentioned in this House at the time of the passage of the Act, the creation and education of electorates in political affairs, the safeguarding and toleration of opposing views, the protection



of the rights of minorities, and for the taking of the risks which are inherent in the art of Government, maintaining order by whatever steps may be necessary, against any challenge. (Cheers.)

No useful purpose will be served by minimising the great difficulties. No human being can say for certain what the eventual form of Self-Government will be. It is not necessary to contemplate that Indian genius will wish to accept every self-governing institution which we possess. We have not yet determined, and cannot determine at this stage, the size of the unit of self-Government, whether it will be the existing provinces or other provinces. These things will all solve themselves in the future, but at the present moment the absolutely essential condition of any further progress is the successful working of the first instalment that Parliament has given. (Cheers.)

**"Self-Government within the Empire."**

I want to say one other thing at this very serious moment. The Self-Government which we promised India the opportunity of working was Self-Government within the Empire (Cheers), and therefore I want to say to India that I do not believe the British Parliament will ever jeopardise that opportunity. After all, Indians in their thinking moments will be the first to recognise that it was with British enterprise and with British energy that the present Indian Empire was built up, and that it is under British guidance and with British help that their future will be achieved. (Hear, hear.) I do not believe for our sake, as well as for India, that this Parliament will ever jeopardise the existence of either, and therefore I would say in all sincerity to India that the exhibition of separatist tendencies and of disloyalty to the King-Emperor, futile attempts to mar the welcome given to the King-Emperor's son, must postpone, or at any rate prejudice, the good-will of the British people towards Indian aspiration. (Cheers.)

It is well, I think, that Indians should realise that, based on good-will and partnership, there are no rights that will be denied her by the British Parliament, but if the existence of our Empire is challenged, if the discharge of the responsibilities of our Government towards India is prevented, if demands are made in the very mistaken belief that we contemplate a retreat from India, then India will not successfully challenge the most determined people in the world—a people who will once again, as it has done so recently, answer the challenge with all the vigor and determination at its command. (Cheers.) On the other hand, if India will believe in our good faith—as she ought to believe—if she will accept the offer that has been made to her by the British Parlia-



ment, then she will find that the British Empire, for which so many Indians and Englishmen have so recently died, and which at this present moment is saving the world, will give her liberty but not license, freedom but not anarchy, progress but not stampede, peace and the fulfilment of the best destinies that the future can possibly offer. (Cheers.)

“Acid Test of Empire”

Mr. Acland (Camborne, L.), in giving his support to the general policy of the Secretary of State, said that the attacks which had been made on him were doing the Empire a great deal of harm. They were based, not in regard to the actual position in India, but on race prejudice. It was the acid test of Empire whether we should, in a few years, find that we were succeeding in steadily pursuing the course adopted by Parliament in 1919. He felt that they must still steadily go forward on the task on which Parliament entered when it passed the Act of 1919, but, at the same time, they must maintain law and order. With these two policies together, he believed that a solution of the present position in India would be attained.

Sir C. Townshend (The Wrekin, Ind.), speaking with the experience of 18 years service in India, said he heartily agreed with the Secretary of State that the great cause of the present Muhammadan unrest in India was undoubtedly our failure to make peace with the Turks. France was a great Muhammadan governing Power, and she had made peace with the Turks in order to avoid having the same unrest in North Africa. He took the view that if only the Government would issue a *communiqué* to India declaring that it meant to stand by the Government of India in maintaining the Constitution and in enforcing law and order, the present trouble would disappear. They had simply to show firmness and agitators like Gandhi would disappear at once. We must govern in India or go. (Hear, hear.) In his opinion we had been too fast in imposing Western methods and institutions on an Eastern people, who were not ready for them. If they were to govern in the East they must send firm men, men with will-power. They could not have dreamers.

Sir J. D. Rees opposed the amendment. The real cause of the trouble in India, he said, over and above the world spirit of unrest which was the aftermath of the war, was our treatment of the Turkish question and its effects on the Muhammadans of the world. He believed that we should hear of any proposal to go back on the reforms which had been granted or to turn British India into a congeries of Native States. The vote of the Indian



Legislative Assembly supporting the Viceroy in the policy of firmness was, he thought, a hopeful fact. It had already caused Mr. Gandhi to give up civil disobedience. He believed the bad features of the present state of India were in no way due to individual acts of the Secretary of State.

**Sir H. Craik** (Scottish Universities, C. U.) appealed to the Secretary of State on behalf of the Civil Servants of India, and urged him to insist upon a thing which the present Government was apt to forget elsewhere, as well as in India—the maintenance of order and the security of life and property. (Hear, hear.)

**Lieut Com. Kenworthy** (Hull, Central, L.) said that Gandhi had been abused by every one, but the time might come when we should congratulate ourselves on having a man of his eminence, with the ideas he possessed.

**Captain Elliot** (Lanark C. U.) said we had started a gospel of nationalism and were only beginning to realise the trouble and bloodshed it was going to cause. There might be a chance of holding India, but it was small, and was rapidly diminishing, chiefly because of the new idea which was being preached that where the Union Jack went up the colored subjects of the King were not to have rights, privileges, or duties or any part in the partnership of the Empire.

**Lord E. Percy** (Hastings, C. U.) whilst regretting the personal language of the motion, and the personal attack on the Secretary of State, said that the gravamen of his charge against the Government was that there was not one single question in the Near or Middle East, or in India, on which they had been united. Indeed, there was not one single question on which their disunion and division had not been advertised in the four quarters of the globe. (Hear, hear.) Owing to that cause, they had fallen between two stools in dealing with Turkey, and to-day there was another open division and a controversy being fought out between the Secretary for India and the Colonial Secretary. Was that record likely to commend the British *Raj* in India? The Government presented to their supporters the serious questions whether Ministers would be able to keep along a line of clear, consistent, well-balanced policy in view of their open, avowed, shameless, and flagrant disagreement amongst themselves.

**Sir C. Yate** (Melton, C. U.) criticised the action of the Government in regard to the Mopla rebellion.



# Mr. Llyod George's Speech

I think it will be generally agreed that it was very desirable that there should be a discussion on the affairs of India in the Imperial Parliament. It is better that the charges and counter-charges that are made outside, the rumours that are current, the anxieties which have been caused, should be sifted, and examined here, calmly and dispassionately, by the Assembly that is primarily responsible for the Government of India. My right hon. Friend the Secretary of State for India has been attacked from both sides. A number of speeches have attacked him because he has gone too far in one direction, and other speeches have been delivered criticising him because he has not gone far enough. The central position is a safe one for a country to occupy, but it is a very unpleasant one for a statesman to walk along, because he is liable to be attacked from both sides, and there is a cross fire, which is exceedingly dangerous for his political blood. That has been the experience for my right hon. Friend and of everybody else who has been trying to walk a moderate path between two extremes. May I just say one word about the speech of the Mover of the Amendment (Sir W. Joynton Hicks). I heard the latter part of it, and although I did not agree with it, I appreciated very much its ability and skill. I am very delighted, as an old friend, to congratulate my hon. Friend upon his speech, and I am still more pleased to do so as a member of the same profession. He spoke with moderation and restraint. He avoided, at any rate, any petty personalities, and his speech was all the stronger for that reason.

There is much in the state of India that justifies grave concern. I deprecate alarm. There is certainly no cause for panic, and the situation is well within the compass of our strength without adding to our burdens. There is no doubt that it is a situation which demands examination at the hands of the Imperial Parliament as well as the Imperial Government, but we cannot deal with it effectively unless we seek out the real causes of the unrest without losing our sense of proportion. If an attempt be made to trace the origin of the disturbance in India to something which occurred two or three years ago, Parliament and the public are misled as to the real causes of our difficulty, and consequently neither Parliament nor the public nor the Government can deal effectively with the situation. We must get a real understanding of what the



position is, when trouble arose, and why it arose. If we do that dispassionately, without any partisanship, we can apply remedies ; but if we attribute it all to one cause, that cause not being the real source and fount of the disturbance, we shall launch out on a policy which will be ineffective and will probably be disastrous.

The disturbance and unrest in India did not begin 3 years ago. I have been a member of Governments since 1906, and I remember perfectly well when my Noble Friend Lord Morely, the Secretary of State for India, had constantly to bring to the attention of the Cabinet the serious unrest in India. In 1916, Sir Valentine Chirol, who has been referred to as a great authority on the subject, published his classical book on "Unrest in India". That was 4 years before the war. The attempt on the life of the Viceroy was a couple of years before the War. There had been several assassinations or attempts at assassination of high officials. There had been many police murders, there were constant riots, agitators were deported at the instance of Lord Morley. All that occurred years before the War. It is therefore idle to attribute the unrest in India to something which occurred when my right hon. Friend the Secretary of State for India assumed the reins of office. To do so is not doing justice to the theme. It is a serious reality. I have to be dealt with, but it can only be dealt with effectively and wisely by trying to understand what the causes are. They were probably many. Here you have a population with Eastern ideas and Eastern experience traversing unknown centuries. Democracy was never written in their story. Modern ideas, Western ideas of liberty and self-government were unknown. They acknowledged great over-lords who, according to their weakness, gave them unrest and disturbance. We gave them largely an English education. I have been amazed at the kind of education which is given to the Indian child. There is no doubt it poisoned the Indian mind. We had a very considerable number of rich, well-to-do Indians sending their children to be educated at the English universities. They were saturated with Western ideas, and they go back full of them. The great Western ideas of liberty became their ideals. It was bound to create unrest. It was putting new wine into old bottles—the fierce wine of the West into the older bottles of the East accustomed to milder vintages—the fierce and often coarser wines of the West. They burst and there was a leakage, and the wine spread and the intoxication swept over the East.

It was not India alone. In the story of India you must not forget the story of Asia—Japan, China, India, the hundred of



millions of people who have been living in tranquility and in satisfaction with ideas of autocracy that gave them protection and guardianship under which they were satisfied and here comes the West. It is because the West has got into conflict with East. It was inevitable. There were two chemicals which were bound sooner or later to produce some form of explosion. Do not let us overlook these facts. What has happened in Japan? The Russo-Japanese War had an enormous effect upon the population of Asia. I do not want to dwell on what it meant to them, but it meant something to them in the feeling they had towards Europe, towards the possibilities of Asia, of Asiatics towards Europe, which had a very disturbing effect from one end to another. What has happened in China? We talk as if it were purely India. In China you had a great foreign dynasty governing hundreds of millions of Chinaman. The strong hand of that dynasty is removed. What has happened? Self-government, liberty, Western ideas, Republics formed purely on Western model—the whole country shattered into warring fragments. But it shows that it was a movement which did not originate with the War. It goes far back. The agitation in China came from exactly the same source. Chinese students in America, by the hundreds and the thousands, imbibing ideas of American democracy, and Chinese students here. Some of the leaders of the revolution in China were men who were trained in the West. They go back to China, and that is the result. In trying to apply remedies, let us face the realities and get at the facts. Undoubtedly the War accentuated and aggravated them. It shook up the whole world. The magnetic currents passed through nations and they are still trembling, except those who are too exhausted. The War has stirred them up, given them new vigour, and undoubtedly it is that which has created unrest and disturbance in every land. There is disturbance in India. Let any man look back even at our own country in 1919 and to all the countries of Europe and you need no further explanation as to what has happened in India. I have pointed out the result in China. The firm hand of British domination and rule prevented a catastrophe in India. If there had not been British rule there the consequence would have been a catastrophe of the widest kind. The War aggravated the situation. My right hon. Friend the Secretary of State for India, pointed out some of the more ordinary, commonplace contributions to the unrest, the impoverishment of the nations, high taxation, increased burdens, and the diminished means and the diminished strength of bearing them. He was perfectly right, and so were some of my hon. Friends who have spoken in the debate, including the hon. Member for East



Nottingham (Sir J. D. Rees,) in the view that the one unfortunate consequence of the War from the point of view of India was that we were manoeuvred into the position of having to fight the greatest Islamic Power in the world. It was undoubtedly a triumph of German diplomacy. In the East, undoubtedly German diplomacy did triumph with Turkey, with Bulgaria, and with Greece. There was the fact that we were the only power free, because we were a sea power, and because there was no invader on our soil, to take up the challenge that had come. The result was that we were as an Empire, brought face to face as if it were a solitary struggle between the British Empire and an Islamic Power. That was one of the misfortunes of the War over which we had no control and, undoubtedly, that is one of the causes of unrest in India. Let us face that.

I have only sketched very summarily some of the causes of disturbance. When you come to the excitability that has been a result of the War in every land and in every clime, all you can do is to allow it to subside. It is gradually subsiding. It is subsiding here, and it is subsiding in Europe. The position has improved so far as the tension and the nerves of the people are concerned. They are not as yet ready to take offence and to take up arms. It is a matter of time. When you come to the disturbances in the East there is no doubt that it would be of enormous advantage if peace could be made with the Turkish Empire. My right hon. Friend the Secretary of State for Foreign Affairs hopes in the course of the few days to take up the matter again with our Allies with a view to seeing whether it is not possible to arrange a satisfactory peace, but it must be a just peace. There is nothing to be gained by unjust concessions to fear. [HON. MEMBERS: "Hear, hear, !"] I emphasise the word "unjust". We have held the balance even in India between various religions. The strength of British rule in India comes, not because we have given way to one faith, because it was menacing, at the expense of another, but because we have quite fearlessly held the balance even between Mohammedan and Hindu and every other religion, and the principle we have applied in India we must apply in the settlement of the Turkish Treaty. We must be fearlessly just to both religions and both races; otherwise, in the end, no good will be done but much harm will be done. We shall sow the seed of future trouble in order to purchase a temporary solution of our difficulties.

#### **Further cause of unrest.**

What is a further cause of unrest and how is it to be dealt with? There is the material cause; there is the fact that India is



poorer through the War, like every other country. Her burdens are greater, but that is not all. The customers of India are poorer. The people who bought from India are no longer buying, and India is suffering, just as we are suffering. In that respect, only the population is very much poorer, and there is not the margin for impoverishment. There is only one way of dealing with that, and that is a general one, and universal one, which applies to India and applies to Britain, and that is, that peace must be established throughout the world and there must be an international effort to reconstruct trade and put it on its own normal basis again. To that end we have invited India specially to send a representative to assist the British delegation at the forthcoming conference when we are discussing the question of the economic reconstruction of Europe. That is not enough. There is no doubt that a good deal more can be done for the material development of India.

I was talking to a very distinguished foreigner—and let us face facts—who, if I mentioned his name, would be recognised as one of the best friends which this country has ever had, who told me after he had returned from India that he was very disappointed at the extent to which the material resources of India had been developed. How many Members of this House have read the report of the Indian railways? I earnestly advise my hon. Friends, who seem to think that the whole trouble in India has arisen from the act of my right hon. Friend, to read that report. There is enough cause in that alone to account for a great deal of the Indian trouble. I am not attributing it all to that. I would be committing a mistake in saying that. I am only putting this as one of the causes, but let my hon. Friends read it. It is a very remarkable document, and points to one of the things that call for a remedy, and an immediate remedy. There you have got the danger. There are complaints from great provinces in India that tens of thousands of tons of grain, sugar, cotton and cotton seed are rotting in sheds at railway sidings, and in the bazaars because there are no wagons and no locomotives, and they cannot get coal in order to run their factories, and mills are closing down and docks are crowded. And that is not merely since the War. Here is a quotation from Sir John Hewett, who writes in 1913 :—

“I am directed to address you regarding the congested state of the railways which has caused, and is causing continually, immense loss to the agriculture and trading community in this Province—the United Provinces—and has also seriously affected the administration of Departments.”



Sir F. Banbury : Were these railways under Government control ?

#### **The conditions of India**

The Prime Minister : I am not going into the question of who is responsible, whether Government control or private enterprise. All I am pointing out is, that this is the condition of things which ought to be remedied. If private enterprise can remedy it, let private enterprise take it in hand. I am not in the least quarrelling with my right hon. Friends's view in this matter. What I do say is, that this is undoubtedly one of the causes of Indian unrest. Men are thrown out of employment, the labour of a year is rotting, workmen are suffering in the mills, peasants are suffering and development in India is retarded. We have only got to take the figures of what has been done in regard to national railway development. With a population of 300,000,000, India has a total of 36,000 miles of railway. Canada with a population of 8,000, 000 has 39,000 miles of railway. That will give an indication of one of the directions in which something ought to be done in order to improve the condition of India and to remove the causes of unrest. We have communicated with India on the subject, but no one knows better than those associated with India how very difficult it is to get a move in India in these matters. Certainly, I am not reflecting on any official who is there now. I am simply talking of having things done over these vast territories. That is one cause.

Now I come to another cause which has been referred to in speeches from both sides of the House—the racial cause. This cause aggravates every other cause of unrest, whether it is economic or religious. I do not know whether those hon. Friends, who took part in this Debate and criticised the Government, suggest that the experiment which was initiated two or three years ago should be scrapped. I do not think that they have gone so far as that.

Sir W. Joynson Hicks : I did not.

The Prime Minister: Then I really do not see what the complaint is. Let us be quite clear about this because discussion in this House, as my hon. Friends know, has a great repercussion in India, and anything which will lead the people in it to believe that we are going to break faith with them would have the most disastrous effect upon the friends of British rule in India, the genuine friends, and therefore it is important to make clear that so far as we are concerned, we mean to give that experiment a



chance of succeeding and that, if it fails, the failure must not be attributed to our default. The educated classes in India must be given the best opportunity for making this experiment a success and there must be no suggestion of breach of faith on the part of the British Government. That would be fatal to our prestige.

But further reform must await the result of that experiment. Democracy, in its modern acceptation of government of the people, for the people and by the people, is a recent experiment even in the West. Within living memory of many Members of this House the majority of the people of this country had no more voice in the government of their native land than the peasant of Bengal. All they had to do was to accept rules, obey rules and pay taxes, and it is only three years since that part of the population, which was liable not merely to pay taxes, not merely to obey laws, but to give their lives to the country, had for the first time, a voice in declaring what the policy should be. Democracy is a western experiment and, in the full sense, it is only a recent experiment in the West.

India, never a Democratic country !!

India has never been a democratic country. It never had democratic government, and it has to be seen yet whether democratic institutions suit the Indian mind. Here, democratic institutions have grown slowly; they have taken centuries to develop, not merely in the numbers who took part in government, but in the actual powers which are conferred upon the people. Here you have the best trained, the best educated democracy in the world. In India the vast majority of the people are illiterate, and those who imagine that you can precipitate events, that you can develop in India something which it took centuries to develop here, are guilty of propounding doctrines which are dangerous. They would mislead the Indian population and mislead them to their ruin. If the experiment in India is to be a success it must be a gradual one, as it has been in the West. In the 1 or 2 cases in Europe where democratic institutions went beyond the capacity, for the time being, of the population, they were a failure and those who initiated them had to withdraw. Even Russia has discovered that.

I am all for associating the Indian with ourselves in the government of that great country, but we must take care not to throw away reality whilst pursuing the form. My right hon. Friend the Secretary of State of India quoted Macaulay. I have a quotation from Macaulay, which I think very much to the point. It is a very unflattering review of the greatest of the ancestors



of the Noble Lord the Member for Hitchin (Lord R. Cecil).  
Macaulay says :

" It is a common error in politics to confound means with ends. Constitutions, charters, petitions of right, declarations of right, representative assemblies, electoral colleges, are not good government, nor do they, even when most liberally constructed, necessarily produce good government. Laws exist in vain for those who have not the courage and the means to defend them."

If we withdraw from India, does anyone who knows India believe that those amongst whom there is the most turbulent demand for an extreme measure of self-government would alone be able to defend their liberties? We must take care not to weaken authority when strengthening liberty.

**Authority must be maintained.**

The next point is this : Authority must be maintained ; the authority of government must not be challenged. It is idle to talk of this as if it was merely a policy of repression. You cannot allow in India a challenge to authority which would not be allowed in this country nor in any civilised country in the world. India owes much to the substitution of law for lawless force. Any one who reads its history knows that, and it is no kindness to the people of India to permit a subversion of Government authority. Therefore, I welcomed, and so did my colleagues, the declaration of the Viceroy which was read by my hon. Friend and Member for Twickenham, in which he declares that civil disobedience is fraught with danger to the State, and must be met with sternness and severity. As to the action of the Home Government, our position has never varied. It is to support the Indian Government in any action which they may think fit to take to establish authority and Government in India. Every despatch sent to India has been couched in those terms. But as my right hon. Friend and Secretary of State for India pointed out, you cannot at this distance interfere in individual instances with the responsible rulers on the spot. How are you to decide whether in one case action should be taken in a particular direction, and whether it should be taken now, or whether it should be taken later on? Before you intervene to supercede, to override decisions taken at that distance, there should be a most overwhelming case, but our position is a clear one. Unless the authority of government and of law is established in India, no one will suffer more than the Indians themselves. Any action which may be taken to establish order throughout the whole of that vast Dominion will get the full, unqualified support of His Majesty's Government. Before I sit down I have one more word which I



must say in consequence, not so much of what has been said in this Debate, as of what I hear said outside. There is an impression created by a very mischievous propaganda at home—with a totally different purpose—that we mean to give up India. I have heard it said. I have heard it said that this has permeated the Indian Civil Service. I have heard it from Indian civil servants. There ought to be no doubt in the mind of anyone upon that point. I should not have thought it was necessary to make it clear, were it not for the fact that I have undoubted evidence that there was doubt on the point. But let me say, on behalf of His Majesty's Government, we wish to make it clear—and I feel that in saying this I am voicing the opinion not merely of every section of the House of Commons, but of every section outside—that under no circumstances or conditions do we propose to withdraw from, or impair, the full sovereignty of the King Emperor in India. In terms, no agitator in India puts forward that demand.

Sir W. Joynson Hicks : They have asked for pure independence.

The Prime Minister : I have not seen that. I think the more important agitators have always acknowledged the sovereignty of their King-Emperor. However, in substance that would be the ultimate effect of their proposals if they matured ; but the British Empire, although it has come out of a great, a terrible, and an exhausting War, it is not so exhausted that it can discuss such a proposal, or anything that could lead to it. We accepted a great trust as a people when we occupied India. We invested ourselves with that trust to the exclusion of all others. We cannot divest ourselves of that trust without shame and dishonour. This is a country which for centuries has had peace guaranteed to it by an over-ruling Power. We went there about two centuries ago. We swept aside its traditional guardians, and we stepped into their trust. It is perfectly true that their guardianship was inadequate. It was often nominal ; it was mostly ineffective ; but, still, there was a certain prestige, a certain authority attached to it. We swept it away, and took it upon ourselves with a firm hand. We overthrew the Mogul Empire. We defeated and broke military adventurers who ruled by the sword. We eliminated Dutch, Portuguese, and French, who held sway over vast territories, and we took upon ourselves the responsibility for the government of this vast territory. There was nothing left between India and confusion except British rule ; we established and we gave peace to its helpless inhabitants.

My hon. and gallant Friend the Member for Melton (Sir C. Yate), than whom no one has a better right to speak on Indian



questions, and who speaks with knowledge and authority, rightly referred to a series of very remarkable men who have governed great territories without any notice, not even with the fame which they would have won in any other country. No land ever sent such a succession of great rulers from its shores to govern an Empire as Great Britain sent to India. Take anyone of their stories. It is a romance. Get it written. What would be left if British authority were removed? Could Mr. Gandhi govern? Would he be able to protect, to defend from the inevitable pillage one of the millions of those whom he leads? You have only got to see what happened in the Mopla rising—even with the British authority there. Take China with its warring factions, and what is China to India in variety of race and in variety of religions? You have as many, if not more languages and races in India than you have in the whole of Europe. You certainly have many more religions. Nominally, here we all belong to one faith. But in India there is a multitude of fundamentally different religions as well as races. Anyone who talks of India as if it were one race, one people, one religion, one aim, and one ideal, is grossly ignorant of the history of that country. There is a greater difference between Sikh and Bengalee than there is between the German and the Englishman or the German and the European, and fundamentally greater than there is between Trotsky and some of my hon. Friends opposite.

Europe, at each others throat

Coming to Europe, so far as I can see, we are all fighting races. ✓  
~~There is not a pacific race on the whole continent.~~ It is with the greatest difficulty that you can keep them from flying at each other's throats. In India there are essential differences of temperament, outlook, qualities, texture, blood. You can not talk of India as if it were just one people. The only unity created in India has been by British rule. If Britain withdrew her strong hand there would be confusion, and desolation indescribable. Anyone who reads the history of India just before we went there can see that. It is right that these things should be brought home to Indians as well as to ourselves. One ruthless adventurer followed another. There was pillage, looting, destroying, ruthless cruelty, intolerance, devastation. That welter would be reproduced if the British hand was removed, and the poor peasant would think with regret of the great days when he was protected by the King-Emperor from the cruel hand of the marauders. We accepted the trust. We must execute it. No honourable men gets order of a trust the first time the beneficiaries lose their temper with him and think they can manage the thing themselves better. We have no right to part with our responsibilities and the result would be disastrous. Here, again, I should like



to quote from my Noble Friend Lord Morley—and with this I will conclude—words which are pregnant, words which are a warning. He was a man who believed in reforms. He believed in a sympathetic treatment of India, but he knew the dangers of the course which has been pursued by some of the leaders in India. These are the words which we adopt as a declaration on our past:—

“How should we look in the face of the civilised world if we turned our back on our duty and our past? How should we bear the savage scorn of our consciences when assuredly we should hear in the dark distance the storm and confusion of the strife in India?”



# Interpellations in Parliament 1922

Some of the important interpellations in the House of Commons on Indian Affairs in 1922 are given below.

Early in February 1922 Mr. Montagu was repeatedly pelted with questions by the die-hard party on the retirement of the disgruntled members of the Imperial Services in India on proportionate pensions. In response to this strong pressure Mr. Montagu issued, on February 9th 1922, the following despatch to the Viceroy on the subject :—

I have recently addressed you by telegram suggestions for the consideration of your Excellency's Government the desirability of taking early steps to remove the misapprehensions which I have reason to believe are widely entertained as to the meaning to be attached to the passage quoted in the margin [given below] from paragraph 3 of the resolution issued by your Government with my approval on the 8th November last, on the subject of the terms and conditions on which officers of certain Indian Services who desire to be released from further service, in consequence of the introduction of constitutional reforms, may be permitted to retire prematurely on proportionate pension.

[The following is the marginal quotation referred to above :—

'All applications must reach the local Government before the 31st March, 1924, by which date officers will have ample opportunity to appreciate the effects of the recent constitutional changes and to arrive at a considered decision. Officers of the Services specified who do not apply before that date will not be eligible for a pension or premature retirement in consequence of any constitutional developments which may subsequently take place.']

It has been represented to me that this passage in the resolution has been commonly interpreted as intended definitely to preclude any officer whose employment may hereafter be terminated prematurely either by the Secretary of State in Council under the constitution provided by the present Government of India Act, or by an Indian Dominion Government, should such be constituted by an instrument amending or repealing that Act, from claiming pensionary recognition of the services which he has rendered and compensation for their unexpected termination. And apart from the fear that such consequences are intended in the matter of compulsory retirement, I understand that the passage is further regarded as closing the door on any hope of the renewal of an offer similar to that held out by the resolution, even on the occurrence of further legislation to amend the Government of India Act, which may have the effect of making a further stage towards the grant to India of Dominion status, and the combined effect of these impressions has been apparently to give colour to the idea that a leading motive which prompted the Secretary of State in Council and your Excellency's Government in framing the terms and conditions embodied in the orders of the 8th November, was a desire to induce as many as possible of the members of the All-India Services, for whose maintenance, welfare and efficiency those authorities are directly responsible, to abandon their employment at the earliest possible date.

Your Excellency's Government will, I am confident, share my deep regret that language could have been used which is capable of an interpretation so fundamentally at variance with our objects and intentions, and I trust that it is now clearly understood by the members of the Services that :



(A) Nothing in your resolution has reference directly or indirectly to the compulsory retirement of officers whose employment it may hereafter be decided, by whatever authority, to terminate for whatever reason, before they have completed such service as, under ordinary regulations and expectations, carries the claim to a pension.

(B) That when the time comes for his Majesty's Government to recommend to Parliament further legislation with the object of granting to India a larger measure of self-government, it will be the unquestionable duty of the Secretary of State in Council to consider fully the extent to which such changes affect the conditions of Service of those who will be bound by them, and whether they are such as to necessitate a re-opening of opportunities for voluntary retirement on pension, that it will further be his duty to take steps to secure the enactment of such provisions to that end as may seem just and necessary, and that nothing in your resolution was designed to absolve the Secretary of State in Council from this obligation, and,

(C) That, in fact, the intention of the passage in question was simply to emphasise the circumstance that the right to apply for a proportionate pension was an exceptional right, conferred on the express recommendation of the Joint Select Committee of both Houses with the implied authority of Parliament, in order to meet the conditions which have been brought about by the Act in 1919, or which may arise in the course of constitutional development under that Act, and, consequently, that the right was one which, once offered and exhausted, it would not be proper for the Secretary of State in Council to renew, save as the result of a similar mandate given on account of constitutional changes arising out of further Parliamentary legislation.

### Security of Pensions

I desire, however, to take this opportunity of endeavouring to dispel other analogous anxieties which have been brought to my notice as being felt by members and ex-members, not only of the Indian Services, but also of the Home Establishment of the Secretary of State in Council, as to the security of their pensions (whether in the course of payment or in prospect) in the event of India's acquiring full dominion status, or such an approximation to that status as has the effect of transferring from the Secretary of State in Council to the Legislative Assembly some portion of the whole of that measure of control over the appropriation of the revenues of India and over the Services, which is by the the present Act and statutory rules vested in the Secretary of State in Council.

It would, of course, be idle for me to pretend that any declaration by myself, by the Council of India, or by his Majesty's Government as at present constituted, would have the effect of binding any future Government or Parliament as to the measures which they should respectively propose and ratify to safeguard the existing and accruing rights of persons in the Civil Service of the Crown in India whose conditions of employment may be effected by whatever further legislation Parliament may in its wisdom decide hereafter to enact in pursuance of the policy inaugurated by the Act of 1919, but it is evidently not generally appreciated that no change in or diminution of the powers of control now exercised by the Secretary of State in Council in this regard, nor in modification of the law which now makes such pensions a statutory charge upon the revenues of India, could be effected without the fullest public discussion and by means of express Parliamentary enactment. It cannot be anticipated that His Majesty's Government and Parliament will treat lightly their obligation to ensure, as an essential part of such an enactment, that all pensions current at the time shall continue to be paid, that those officers whose services may have to be compulsorily terminated shall be adequately compensated, and that those who are entitled to pensions shall receive them, but, in any event, I desire to



Place on record, with the full concurrence of my council, my conviction that no future Secretary of State in Council of India will be found wanting in his duty of securing the fulfilment of those obligations, or will be found willing to surrender in the smallest degree the control which he exercises under the existing law, save on conditions which will adequately ensure that the rights and expectations which it is now his duty to protect are fully guaranteed.

### The Mopla Train Tragedy

On February 21st Commander Kenworthy asked Mr. Montagu whether proceedings had been instituted against the persons responsible for the horrible murder of 64 Moplas in the infamous train tragedy of 17th November last : Mr. Montagu said that he was awaiting the Madras Govt's telegram. Sir J. D. Rees also tried to elicit some information on the manner in which Martial Law had been enforced in the Malabar, and Mr. Montagu gave only an evasive reply.

Com. Wedgwood put a question on the treatment of political prisoners and asked whether it was not true that Sir George Lloyd had managed to do without imprisonment in Bombay : Mr. Montagu in reply promised to make enquiries.

### Further Grant of Reforms in India

Regarding the Indian Legislative Assembly's resolution asking for a revision of the constitution before 1929, Mr. Montagu proposed to send a reply following on the lines of the speech he made on the 14th Feb. on the amendment to the King's Address.

Lord H. Cavendish-Bentick pressed the point that it would go some way towards pacifying public opinion in India if the demand of the Assembly were acceded to. The only response Mr. Montagu made to this was to suggest that his questioner had misapprehended the wishes of the Legislature when, as a matter of fact, it was the Secretary of State himself who seemed not to grant the point at issue. Sir Henry Craik took the opportunity to shove in the Tory view of the matter by urging that "the only course or safety is a firm adherence to the decision already announced." Lord Cavendish-Bentick, however, insisted upon having an answer to his question whether the Secretary of State was going to grant a re-examination before 1929. Mr. Montagu again evaded the point by remarking that it was rather too early yet to say.

The amount of interest taken in the subject was indicated by the numbers of members who rose to put further supplementary questions. Mr. Speaker intervened at this point to stop further discussion but Colonel Wedgwood managed to get in a remark which indicated that the Labour Party has passed a resolution on the same lines which had been forwarded to the Secretary of State.



**Chauri Chaura Riot**

On March 10th. Colonel Yate called attention to the fact that the police in Chauri Chaura on February 4th fired into the air when they were first attacked and thus merely made the mob infuriated. He suggested that all firing in the air should be prohibited in future. Sir Worthington Evans replied that standing orders for the conduct of the police in India strictly prohibited firing in the air.

Colonel Yate asked whether in view of the present state of India it was intended to sanction the bills for repeal of so-called Repressive laws in India, and declared that it was inadvisable to weaken the power of the Central Government at present. Sir Worthington Evans said that the bills had not reached him.

**The Army in India**

Replying in the Commons to Sir Reginald Hall with regard to Lord Rawlinson's speech in the Legislative Assembly, Mr. Chamberlain said Lord Rawlinson had not asserted and had not suggested that the present military forces were inadequate to deal with any internal situation likely to arise. The strength of the British Army in India was 70,300 compared with 77,600 before the war. The Indian Army's strength was 147,483 compared with 155,395 before the war. The reduction was made on the understanding that the equipment of the army would be improved. The improvement had not yet been concluded but considerable progress had been made.

Replying to Sir Joynson Hicks, Mr. Chamberlain said recent events had interrupted the progress of the Committee on Imperial Defence in regard to Indian army. Some of the committee men were very busy and had found it difficult to find the necessary time but he hoped the report of the committee to the Cabinet would not be long delayed.

**Treatment of Political Prisoners**

On 27th March, replying to Sir Charles Yate with regard to the differential treatment of prisoners in India which he condemned, Earl Winterton said that the whole principle of distinctions was that while a deliberate inciter to violent crime deserved no less severe treatment than the actual committer of crime, there was a large class of cases in which a man who from presumably honest motives expressed political views the public expression of which was a legal offence should not be humiliatingly treated or classed with criminals whose offences showed moral obliquity. Sir Charles was, however, not satisfied and cried out that Gandhi ought to be stripped and oil poured over him, like the police victims at Chauri Chaura !



# The Indian Loan Bill

*HOUSE OF COMMONS—29TH MARCH—5TH APRIL 1922*

On 29th March 1922 the House (sitting in committee) devoted an hour to the Indian Loan Bill. The Under-Secy. of State moved a resolution to authorise the Sec. of State to raise sums not exceeding £ 50 millions for the service of the Govt. of India (for Railway development) on the securities of the revenues of India. Lord Winterton explained that that was no new step. A number of similar acts had been passed previously, the last being in 1919, the proceeds from which would not have sufficed until now except that the War delayed the carrying out of capital expenditure on railways and irrigation. The measure was thus largely a matter of routine and was in no way connected with the Indian budget. Explaining that under the original Government of India Act money could only be raised in the United Kingdom to an extent authorised by the House of Commons, Lord Winterton declared that the previous, unexpended borrowing powers had fallen below seven millions. The present resolution increased the power to 50 although there was no question of borrowing the whole amount immediately. India's present financial difficulties were the result of world-wide causes in no way peculiar to India. Both the Government of India and the India Office were fully alive to the importance of restoring the budget's equilibrium.

The hon. Mr. Alexander Shaw said that before the money was voted the House ought to be informed whether a determined effort was being made to put Indian railways on an economic basis. He also suggested that the House was entitled to know what provisions the Government of India was making to deal with the financial position.

Lord Winterton in reply said the whole sum probably would not be raised for four or five years and would not necessarily be raised here. He deprecated Mr. Jack Jones' contention that the railways of India were mainly used for strategic purposes and he declared that Indian railways had been responsible for saving the lives of thousands of people through the devoted efforts of Indian and British civil servants. Lord Winterton admitted that the purchase of materials in England was a very important question but he was unable to give a pledge in this connexion in view of the Indian Legislative Assembly's resolution. Lord Winterton added that with improved world trade he hoped that the existing taxation



would yield a greater amount than at present. He thus hoped that it would be unnecessary to impose further taxation as a result of the raising of these loans.

On the report stage of the Indian loan resolution in Commons, Mr. A. M. Samuel said he thought the money might be raised in a better way than proposed and suggested that Indian finances were now being handled in the most unsatisfactory manner.

Colonel Ward was anxious for the money to be spent in Britain and not Germany. He was not a free trader to such an idiotic extent, he added, as to say that English investors should lend money to another part of the Empire for the purpose of destroying British trade and employment.

Earl Winterton replying dissipated the idea that the 50 million loan would be immediately put on the Market. On the contrary the Indian Government might not come to any immediate intention to use any part of the present renewal and its borrowing powers might suffice for seven years. As regards the purchases of material the Indian Government was bound to give attention to the resolution passed by the Indian Legislative Assembly in September last regarding buying in the cheapest market. He would be a bold man who would say that the resolution could be absolutely ignored. There was no reason whatever to suppose that a very large portion of the material would not be purchased in Britain as heretofore.

The resolution was adopted by the House and the Bill embodying the terms was read for the first time.

On April 4th, on the motion for the second reading of the Indian Loan Bill, Earl Winterton took pains to impress upon the members that there was a likelihood of the bulk of the money being spent in Britain as heretofore. He quoted figures showing that the railway expenditure of India for 1921-22 comprised eleven million sterling under British contracts and only 157,000 sterling foreign. Earl Winterton categorically stated that the introduction of the Bill was in no way related to the Indian Government's budget deficit. It had been drafted weeks before the Budget discussion occurred. He emphasised the fact that fifty million sterling contemplated under the Bill was intended purely as capital expenditure and had no connection whatever with the Budget deficit and he pointed out that the amount only represented one half of the sum which the Indian Government would require in connection with the railway programme, and as hitherto a considerable amount of the balance would be raised in India. Earl Winterton quoted the Acworth Committee's Report as approved by the Legislative Assembly in support of raising the loan.



Next day, in the Committee stage on the Indian Loan Bill, Lieutenant Wilfrid Sugden protested against the Government of India's having preferential treatment in the London Money Market on the ground that it would raise the price of money at the time when British industry particularly needed cheap money. He declared that some Indian firms made profits six times the amount of the share capital in the last two years. Indians themselves were well able to finance the loans more than they had promised to do. Indian railway freights should be raised and railways should be made to pay.

Earl Winterton emphasised the fact that the Government of India were not asking for preferential treatment. He pointed out that the Government of India were compelled by a long-established rule, which might be abolished, to do what no other borrowing authority had to do, namely, to get permission before they could borrow in England. What Lieut. Sugden seemed to have in mind was the purchase of materials in Great Britain. It was a very difficult and delicate subject. He was anxious, on the one hand, to satisfy the legitimate public opinion, and, on the other hand, to consider the interests of the Government of India at one of the most critical times in its history, and what was even more important to consider the interest and very clearly expressed wishes of the people of India.

Earl Winterton went on to say that no body suggested that South Africa or other Dominion borrowers in England should be obliged to purchase material in England. He emphasised the fact that to convey the impression that the members had put pressure on the Secretary of State for India to insist on the Government of India's purchasing all their requirements in England would be most harmful and would defeat the object of promoting the good Indo-British commercial feeling. It would play into the hands of the Extremists, who would say that we were making India a close preserve for the British trade, and it would stultify the efforts of those in India who were doing their utmost to support the general and trade position of Britishers here. The figures of Indian purchases in England did not indicate that British workmen were having much difficulty in competing with foreign rivals. He had not the slightest doubt that much of the money raised would be spent in England. If the House wished to bring about the purchases of an increasing amount of Indian railway material there, it would be far better to leave it to the ordinary operation of the contract system established by the Government of India, which had resulted in the purchases of an enormous proportion of British compared with foreign goods.

Among the strong criticisms made in the course of the debate, one came from Mr. G. Terrell who was shocked at the idea that the



High Commissioner should be instructed to buy stores for India in the cheapest market. The view expressed by him and other members was that if the Government of India went for authority to Britain to raise a loan in England, it would only be fair to impose the condition that the money raised in that country should be spent there alone, and not in Germany or any other country where the collapsed exchange enabled foreign producers to undercut British prices. Colonel Ward was one of the foremost in urging that the consequences of this would be to destroy British trade in India and to enlarge the area of unemployment in Britain.

On the other hand Messrs. Jack Jones and N. Maclean took the labour view of the matter and wanted to know for what purpose precisely the money was wanted. Is the money wanted to repeat in India what has already been done in Ireland? asked Mr. Jones. If these millions were really required, he believed that the people of India, given the opportunity, would be able to raise it for all essential railway facilities. In this connection he delivered the truth of which the House of Commons takes little note, namely, that the Government of India is not the government of the people of India. He bade the House remember that it was a government imposed upon the people without their consent, the majority having practically no voice in or control of what they were forced to maintain. He called attention to the great poverty of the Indian peasant, who was taxed, he said, to a greater extent than any person in the world in comparison to his means. These were the people who, for the most part, would have to find the interest and make up the deficiency. Why not give the people of India power to raise their own money? said Mr. Jones. Lord Winterton interposed the remark that this was what the resolution before the House would do. Mr. Jones denied it. It would merely give the power to a comparatively small section to inflict further financial burdens upon India. He reiterated the right of India to control its own destinies and the right of its people to express themselves according to the principles of democracy.

Mr. A. M. Samuel, Sir J. D. Roes, Sir T. Bennett and Mr. J. J. Lawson (a Labour Member) opposed the imposition of stipulations regarding the purchase of goods in England. Sir T. Bennett urged that care should be taken lest color should be given to the charge that England was exploiting India and lest they collided with the Legislative Assembly of India.

The Bill was finally passed by the House. On April 12th the Lords passed the Bill without discussion and then Royal assent was given to the East India Loans Act.



# The Resignation of Mr. Montagu

## HOUSE OF COMMONS

9TH MARCH 1922.

**Mr. Aubrey Herbert** asked whether the Imperial or Indian Government had approved of the publication of the latter's despatch specifying modifications to the Treaty of Sevres.

**Mr. Chamberlain** (the Leader of the House) said that a telegram from Delhi was published by the Indian Government with the sanction of Mr. Montagu and that no other Minister had been consulted. He abstained from commenting on the matter of the telegram, though the terms exceeded even the demands of the warmest friends of the Turks. The publication of such a pronouncement, without the consultation or consent of the Cabinet, raised a different question, and this was all the more important because it was on the eve of the Conference in Paris when there seemed to be a prospect of laying that basis of peace between the Turks and the Greeks. The Government was unable to reconcile the publication of the telegram on the sole responsibility of the Cabinet Minister with the duty which all Governments of the Empire owed each other on matters of Imperial concern. **Mr. Chamberlain** declared that such independent declarations destroyed the unity of policy which was vital in foreign affairs, and gravely imperilled the success of impending negotiations. **Mr. Montagu had tendered his resignation.** (Loud and prolonged Unionist cheers, followed by a wild exhibition of indecent hilarity, cries, cat-calls, etc. by the Die-hards) His Majesty had approved of its acceptance, but when the Foreign Secretary proceeded to Paris to discuss the Eastern settlement with the Foreign ministers of France and Italy, it would be his object to arrive at a solution equitable to all parties. He would give due weight to the opinion of Indian Muhammadans as expressed by the Government of India, but he would not be able to hold himself down to accept any solution submitted by that Government.

After **Mr. Chamberlain** had announced **Mr. Montagu's** resignation, **Colonel Wedgwood** asked whether **Mr. Montagu** had resigned before or after the publication of the document from the Government of India.



Mr. Chamberlain said that Mr. Montagu had tendered his resignation to-day.

*[THE FOLLOWING IS THE ILL-FATED TELEGRAM*

**The Govt. of India Telegraphic Despatch**

"After consulting and receiving the general concurrence of the Government of Madras, Bombay, the United Provinces, the Punjab, Bihar, and Orissa, the Central Provinces and Assam including their Ministers and the Frontier administrations, the Government of India despatched the following telegram regarding the revision of the Treaty of Serves to His Majesty's Secretary of State for India on the 28th February last :—

"On the eve of the Græco-Turkish Conference we feel it our imperative duty to lay once more before His Majesty's Government the intensity of the feeling in India regarding the necessity for a revision of the Treaty of Serves. We are fully alive to the complexity of the problem and the conflict of the interests that have to be considered. But India's services in the Great War, and more especially in Mesopotamia and Palestine, where success was largely achieved by her army with its complement of Moslem soldiers, the vastness of her Moslem population, the intense stirring of religious feeling over the Turkish question among it, the large degree of support the Indian Moslem cause is receiving from India at large—all these entitle her to claim the utmost consideration of her aspirations and their fulfilment in so far as they are just, equitable and reasonable.

"We are conscious that it may be impossible to satisfy India's expectations in their entirety, but we urge upon His Majesty's Government three points which, due provisions having been made for safe-guarding the neutrality of the Straits and the security of the non-Turkish populations, we urge as of the first importance, first, evacuation of Constantinople ; second, the Sultan's suzerainty over the Holy Places ; third, restoration of Ottoman Thrace including the sacred Moslem city of Adrianople and the unreserved restoration of Smyrna,



"We earnestly trust that His Majesty's Government will give these aspirations all possible weight, for their fulfilment is of the greatest importance to India."]

Mr. T. P. O'Connor asked whether an early opportunity would be given for the discussion of the despatch and the policy of the Government in the Near East.

Mr. Chamberlain said:—Of course, if it is the general wish of the House to discuss the policy of the Government, I must endeavour to find an opportunity, but I would earnestly press upon the House that the discussion of policy or action to be taken by British representatives at the Paris Conference, before that Conference takes place, cannot serve the public interest. Successful conduct of negotiations is impossible if the Government are to be asked before entering the Conference to state exactly what is to be the outcome.

Mr. Asquith said, "Is the House to understand that this very important document was published and communicated to the press on the sole authority of Mr. Montagu? Mr. Asquith went on to say: We have on paper to-day a motion for discussion on the Middle East supplementary estimates, and I suggest that the opinion of the House on that matter may be very largely affected by this pronouncement and action of the Government upon it. It would affect vitally, if it were adopted in any sense by the Government, the whole future of that part of the world, and shall we not be rather embarrassed in the discussion if we don't know Government's attitude?"

Mr. Chamberlain said: Mr. Asquith is correct in interpreting my answer which was explicit. The document was published by Mr. Montagu on his sole responsibility without consultation with any other Cabinet Minister. I don't think that if the House wished discussion on the Middle East and as Mr. Churchill is prepared to make a general statement that it would be prejudiced in any way by this very regrettable incident. I have stated the attitude of His Majesty's Government towards the Conference in Paris, and I deprecate pressing the Government for more explanatory statement of their policy in anticipation of the Conference. A good deal of mischief was done at the previous conference by debates in other places with the object of pledging Ministers to particular solutions before they met the representatives of other nations.

Mr. Greeton asked whether, as the question regarding the Government of India was involved in the Supplementary Estimates, a day would be given for the discussion of the Indian side of that matter if it were generally desired.



**Mr. Chamberlain** replied : I cannot accept Mr. Greeton's promises. The Government of India is entitled, indeed, it is almost bound to put its views before His Majesty's Government, and it is quite entitled to ask that their views should be published. But the question of publication should have been reserved for the Cabinet's decision. The responsibility had been taken by Mr. Montagu who authorised publication.

**Major-General Seely** pointed out the statement appeared in the press as a Reuter's telegram. How is it sent as a Reuter telegram, he asked, and yet Mr. Montagu is the only man to blame.

**Mr. Chamberlain** stated that the Government of India had asked that they might publish the telegram, and Mr. Montagu had authorised them to publish it in India. It had been published in India and telegraphed to this country.

### Question of Publication in India

Replying to a question by Mr. Asquith, **MR. CHAMBERLAIN** said that the telegram was published in India before it reached Mr. Montagu, or it had been circulated. Presumably, it was published in India yesterday, but he did not actually know. He only assumed that, after seeing the telegram in the papers that morning, publication in India was authorised by Mr. Montagu and had led to his resignation.

**Mr. G. Murray** asked what form the publication had taken. Was it a proclamation to the press ?

**Mr. Chamberlain** replied that he did not know.

**Mr. Aubrey Herbert** emphasised the fact that he did not wish to embarrass the Government or Mr. Chamberlain in their views of a serious position, but he asked whether Mr. Chamberlain was aware that men, like Mr. Herbert, knew that this disaster was coming for the last two years, but the Government had denied all knowledge, while others had known exactly what the Government was going to do. (Here the speaker intervenes.)

**Mr. Herbert** asked if a day would be given for discussion of the question next week. **Mr. Chamberlain** was unable to promise that. He said that he gathered that Mr. Herbert wanted to discuss the policy of British representatives in Paris which he had already deprecated.



## The Montagu-Lloyd George Correspondence.

The following correspondence passed between Mr. Montagu and Mr. Lloyd George :

*INDIA OFFICE, WHITEHALL.*

*9TH MARCH, 1922*

Dear Prime Minister,—After our conversation this morning I feel it to be my duty to ask you to convey with my humble duty to his Majesty my resignation of the high office which I hold and to ask him to be graciously pleased to accept the same.

When I received last week the Government of India's telegram containing the views of the Government of India on the Turkish Peace, I circulated it to the Cabinet. It was only after I received an urgent telegram on Saturday, repeating the request for permission to publish and asking for an immediate reply, that I felt it my duty to accept the responsibility of sanctioning publication.

It is irrelevant to explain that I did not at that time expect an early meeting of the Cabinet, and that, indeed, what I read of the general political situation led me to think that no immediate Cabinet was likely to be held.

It is irrelevant for those reasons, that I did not see in the communication from the Government of India much, if anything, which had not been said by them and on their behalf again and again ever since the Peace Conference. India had been given separate representation at the Peace Conference, and having been a party to the original Treaty of Sevres, I did not conceive it possible that there should be any question that they would not be allowed to state their views upon a question which so vitally affected the peace of India, nor did I think that it was possible or right to prevent them informing the people whom they governed of the views that they felt it their duty to put forward on their behalf.

The Government of India would be the first to acknowledge that it is the duty of His Majesty's Government to take many wider aspects into consideration, and that peace cannot be achieved if the Indian point of view only is considered. Their object was, however, to ensure that the Indian point of view, among others, was given the fullest possible consideration, and that Indians who were so



gravely concerned about the future in the East, should know that their views were being put forward by those who had been granted the right to speak on their behalf.

I have been fully seized of the grave difficulties which have resulted from the Treaty of Sevrès in India, and I felt it to be my duty to do everything in my power to support the Government of India and the Provincial Governments. When, therefore, I was assured that the Government of India regarded the matter as one of great urgency and when I considered their request in this, as in all its aspects, with the recollection of the many decisions of every class of subject which the Government has found it inevitable to take without discussion in the Cabinet, I felt and feel that I was justified in the action that I took.

I believe that there is much to be gained and little to lose by publicity in these matter, and that that was the reason why the representatives of India had been given up till now the fullest freedom in expressing their opinions.

I need hardly say how deeply I regret leaving the Government and separating from the many colleagues to whose generous co-operation I owe so much. I have not the least doubt that, despite the difficulties and the dangers, the policy which, under your leadership, I was authorised to carry out in India will win through to success.

Yours sincerely  
Edwin Montagu.

P.S.—I trust you will send this letter to the Press with a copy of my telegram of Monday which I sent in amplification of the short sanctioning telegram of Saturday. I annex a copy.

### The Prime Minister's Reply.

*10 DOWNING STREET, WHITEHALL, S. W. 1.*

My dear Montagu,

I have received your letter. I can only say that I much regret the circumstances which have made it necessary for you to tender, and for me to advise His Majesty to accept, your resignation.

That you were actuated in the course you pursued solely by a sense of public duty I do not for a moment doubt; nevertheless, the fact remains that, without being urged by any pressing necessity



and without consulting either the Cabinet, or the *Foreign Secretary* or myself, or any one of my colleagues, you caused to be published a telegram from the Viceroy raising the questions whose importance extends far beyond the frontiers of India or the responsibilities of your office. Such action is totally incompatible with the collective responsibility of the Cabinet to the Sovereign and to Parliament, and I cannot doubt that on reflection you will share my view that, after what has occurred, we cannot usefully co-operate in the same Cabinet.

I must add, as you raise the point in your letter, that the right of the Government of India to state its views on the Eastern question is not and has never been in dispute. So far from resenting the expression of Muhammedan opinion the British Government has afforded the Indian Muhammedans every possible opportunity of urging their views. Not only was India fully represented in the British Empire Delegation at the Peace Conference, but a special delegation of Indian Muhammedans was then enabled, at our request, to lay their views before the Council of Four.

Neither at that time, nor at any time since, has the Government of India or Indian Muhammedan opinion in general been denied the fullest opportunity of stating their case for the consideration of the Cabinet.

The publication, with your sanction, of an official manifesto by the Government of India raises quite different considerations. If the Governments of the Empire were all to claim the liberty of publishing individual declarations on matters which vitally affect the relations of the whole Empire with Foreign Powers, the unity of our foreign policy would be broken at once, and the very existence of the Empire jeopardised. The constitutional impropriety of the precedent which your action, if unrepudiated, would have set in this respect must surely be apparent to you as a matter quite unconnected with the right of the Government of India to urge its views on any particular question, or the particular merits of the Government's case.

The moment chosen for your action is moreover indefensible from the standpoint, which must govern our action, of broad imperial interest. A conference on the Near East is about to take place. The questions that will be there discussed are of the utmost delicacy. The weight of responsibility which the *Foreign Secretary* will have to carry will, in any case, be most serious, and your action has added considerably to the difficulties of a task which was already difficult enough.



*MR. MONTAGU'S RESIGNATION*

The public consequences of this course of action must inevitably be serious. Its effect upon our colleagues is, I need not say, painful in the extreme, but I am confident that everybody and not least you yourself, will feel that however painful, circumstances have made your resignation inevitable.

Ever sincerely,  
D. Lloyd George

P.S.—I should add that the publication of the telegram from yourself to the Viceroy, which you suggest, would obviously aggravate the bad effects of the manifesto already published and the Government therefore cannot consent to such a course.

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# Mr. Montagu's Cambridge Speech

11TH MARCH 1922

Mr. Montagu, M. P. addressing a meeting of his constituents at the Cambridge Liberal Club on Saturday, the 11th March, afternoon, defended his action in publishing the telegram from the Government of India which led to his resignation of the office of Secretary of State for India. This speech was the subject of an exciting controversy both in Parliament and outside. A large number of Indian students were among the audience. Mr. Montagu said :

The orthodox beginning of my speech to you should be "Ladies and Gentlemen," but I like to begin by saying that I address you as my friends, men and women, who have stood by me and by whose confidence I have done the work I have done ever since 1906. I have come here to-day for the first time for many years as a free man to ask you what you think about it all, and to tell you what I think about it all. I believe, as I have only so recently told you, that the highest interests of the State demand that we Liberals should work on a common platform, and should invite the co-operation of all the forces in the State who are willing to work together consistently for the common good by sinking or postponing matters of difference, and work together to rescue this country and this Empire from the difficulties which now confront us. But I am going to devote myself to-day to the matter which is uppermost in your mind, and I am going to explain to you, dispassionately, and I hope calmly, the circumstances which have led to my resignation as a member of His Majesty's Government. And I want to say one word to the members of the Cambridgeshire Liberal Association who adopted me as their candidate at the last election. I want you, if you will, to consider what I am about to say, and I want to assure you that if as a result of what I am going to say, you wish it, my resignation is in your hands. (Cries of "No.")

## Co-Operation with two Viceroy

Do not come to a conclusion until I have told you about it. Now, what is the fact? I have resigned the Secretaryship of State for India and delivered the Seals of that high office to His Majesty the King, whose devotion to the interests of his Indian subjects has been the inspiration of my work for the last four years and a half. (Cheers.) Why have I done that? Well, first let me say—because I have summoned you here as being entitled to know what is in my mind—I cannot tell you the regret with which I have left



that office, the colleagues in it who have worked with me and the colleagues in India who have worked with me. I cast my mind back to my relations of intimate co-operation with the two Viceroys — Lord Chelmsford and Lord Reading. I have had a lifelong and paramount interest in the well-being of the "Indian Empire" and belief in the Indian people. I am convinced that the policy I have been authorised to adopt is not only the right policy, but the only policy for the development of India, and I have a conviction to-day that it will succeed, and that it must succeed, and I deplore that I can no longer be officially associated with it.

Now I come to the reasons. The official reason, which is published in the newspapers as the direct cause of my resignation, is that I have been guilty of publishing to the world a telegram from the Government of India without consultation with my colleagues, and that, therefore, I have outraged that glorious principle of British Government which has been treasured by successive Governments, and never more than by this Government, the doctrine of collective Cabinet responsibility. I cannot help smiling. (Laughter and cheers.) First of all, I do not think I have outraged it. What did I do? I received a telegram from the Government of India expressing their views on a very important subject, and in it there was a request to be allowed to publish their views. Immediately, as soon as I could get the necessary copies on Friday week last, I circulated that telegram to the members of His Majesty's Government. They had it in their possession on Friday evening. I never thought, and I do not think still, for reasons which I will explain to you later, that the question of its publication, so far as I was concerned, was a matter for discussion in the Cabinet. Each man who holds his high office is entitled to the discharge at his own risk of this responsibility to decide what he shall bring before his colleagues, and what he shall not. I do not think, for reasons I will explain, that it was a matter for consultation with the Cabinet. There may have been colleagues who differed from me.

#### A Cabinet Meeting

But what happened? On Monday last there was unexpectedly a meeting of the Cabinet. It is true that, through a most regrettable illness, the Prime Minister was not present, but there was a meeting of the Cabinet. Every member in that meeting ought to have had the telegram from the Government of India asking for the publication of that telegram in his pocket over the week-end. No member of the Cabinet seemed to wish to discuss the question and the only member of the Cabinet who referred to it to me that day



was that member who is most directly interested, Lord Curzon, the Secretary of State for Foreign Affairs, during the sitting of the ~~Cabinet~~—though in private conversation I told Lord Curzon I had on Saturday authorized the publication of that telegram. If he had wanted to, he could have resumed his seat in the Cabinet, which was still in session. He could have urged his colleagues to object to publication. I should have had something to say on the other side and if the decision had gone against me. It is an irony to reflect that there was ample time to send a telegram reversing my orders and stopping the publication of the telegram.

But what did Lord Curzon do? He maintained silence in the Cabinet, and contented himself that evening with writing to me one of those plaintive, hectoring, bullying, complaining letters which are so familiar to his colleagues and to his friends which ended with the request, what?—not to discuss the matter in the Cabinet, but, in future, not to allow publication of such documents without consultation with him. That was all. I say, therefore, that the Cabinet had ample opportunity to control the matter if they had wished. I did not raise it at the Cabinet, because I did not think there was any necessity to consult them, and I do not think so now.

After all, ladies and gentlemen, let us face this fact. Read that telegram from the Government of India. There is nothing in it which has not been expressed over and over again on their behalf by their spokesmen, by me, by His Highness the Aga Khan, and even really by implication by the Prime Minister himself when he was defending in the House of Commons the retention of Constantinople by the Turks. [He read then to the House the Prime Minister's Speech made in January, 1918, that Thrace, Constantinople, and Asia Minor should be left to the Turks, and he prescribed it as a pledge to the Indian Muhammadans, and, therefore, the latter had put forward on behalf of India really everything that the Government of India put forward now.]

#### The "Wizard's" Cupboard

But, however that may be, an accusation of a breach of the doctrine of Cabinet responsibility from the Prime Minister, of all men in the world, is a laughable accusation. It is grotesque. What are the circumstances? The head of our Government, at the present moment, is a Prime Minister of great, if eccentric, genius, whose contributions to the well-being of his country, and of the world have been so well advertised as to require no stress from me, whose achievements are so well-known, but who has demanded the price which it is within the power of every genius to demand—and



that price has been the total, complete, absolute disappearance of the doctrine of Cabinet responsibility ever since he formed his Government. (Cheers.) The wizard, as he is, from the cupboard in which he has locked this doctrine, brings it out conveniently and makes me the victim of this new creed. I am sure that if the country will welcome this manifestation that the Prime Minister is going to return to the doctrine of Cabinet responsibility, I have not been sacrificed in vain.

Let me give you a few examples. I have sat on the same bench with the Prime Minister and heard him criticise across the floor of the House actions taken by Mr. Asquith's Government, complaining bitterly of things said and things done by Mr. Asquith's Government—a Government of which he was a member, whose actions he was responsible for under the doctrine of Cabinet responsibility. It was only the other day that Lord Birkenhead—to whom I wish to pause to pay a tribute; I cannot over-emphasise my admiration for his brilliant ability or my gratitude for loyal friendship during all the years I have been privileged to be his colleague—only the other day Lord Birkenhead in a public speech attacked, and attacked bitterly, the foreign policy of Lord Grey of Fallodon. The Prime Minister and Mr. Churchill, on the doctrine of Cabinet responsibility, were being attacked by Lord Birkenhead when he attacked Lord Grey.

I come to other matters. Have you ever heard of the Milner Report about the future Government of Egypt?—a report on the merits of which I am saying nothing; a report which dealt with the vital question whether Egypt was or was not to remain part of the British Empire—published without the authority of the Cabinet? Was Lord Milner asked to resign? He remained in the Government for months afterwards, and by his remaining there prejudiced and, I think, decided the fact that the Cabinet became responsible, for the principle, at any rate, of the report which he had presented. Have you heard of the Amery Memorandum on the Geddes Committee Report? Where was the doctrine of Cabinet responsibility there? The memorandum had never been seen by the Cabinet, and I notice with interest that Colonel Amery—for whom I have the highest regard—is one of the men mentioned in the newspapers as my own successor. The other night my friend and colleague, the Secretary of State for the Colonies, Mr. Winston Churchill, attended a dinner of the Kenya Club and made a pronouncement which had a most terrible effect in India, on the future of that Colony, and on the Indians in that Colony, without any reference to the Cabinet, who had never discussed the matter at all. Where was the doctrine of Cabinet responsibility?



## Cabinet Responsibility a Pretext

I need not go into this matter any further. I would ask those who have been my colleagues in this Government to search their hearts and realise the numerous occasions upon which they prayed for the doctrine of Cabinet responsibility—the vital decisions of peace, the vital decisions connected with Ireland. Why, it is a commonplace of the political history of Europe—the confusion between No. 10, Downing Street and the Foreign Office about foreign affairs. Cabinet responsibility! Why, ladies and gentlemen, the thing is a joke. It is a pretext. We have been governed by a great genius—a dictator, who has called together from time to time conferences of Ministers, men who had access to him day and night, leaving out those who, like myself, found it sometimes impossible to get to him for days together. He has come to epoch-making decisions, and over and over again it is notorious that members of the Cabinet had no knowledge of such decisions, and if such knowledge came to them, it came at a time when they could make no effective use of their knowledge.

I came across the other day a description of a King of this country which I fear is applicable to the Prime Minister, genius though he is. "I fear," said Sir Gilbert Elliot "there is in this Prince the feature of his father, that he loves closets within Cabinets and cupboards within closets; that he will have secret advisers besides his ostensible ones and still more invisible ones behind his secret advisers—that he will be grateful to none of them and a most uncomfortable master to those Ministers who would really serve him." That is the price which we have paid for the great services of the great genius who presides over the State.

No, Cabinet responsibility is not the cause. What then is the cause? The fact that, with or without consulting my colleagues, I consented to the publication of this telegram? Well, I did. Why should it not be published? The Government of India were parties to the Treaty of Sevres. It was signed on their behalf. Had it produced peace the Government of India would have loyally accepted it, but when it showed—as I knew it always would show—that it could not produce peace, they pleaded for its revision, and as a party to the first Treaty they had every right to express their views—having been given separate representation on the Peace Conference—as to what they thought best in the interests of the country and, on behalf of those for whom they spoke, ought to be the guiding factors in the new peace. In international affairs, India, as a reward for its services in the war, was given Dominion status. Would the Government of Canada, would the Government of South Africa, would the Government of Australia have sat silent



when peace—so-called peace—was destroying the internal peace of a country they were governing? It seems to me that they had every right to express their views.

### Middle East Policy

Let me remind you that the foreign policy pursued by His Majesty's Government in the Middle East has caused the gravest position in India. Over and over and over again the Government of India has made representations on the subject, mainly based on the fact that the Prime Minister's pledge to the people of India had been broken by the Treaty of Sevres. I say I am no believer in the doctrine of secret diplomacy. (Cheers.) I think it is better that the world should know what is going on. (Cheers.) I think that the Muslims in India were entitled to know of the efforts being made on their behalf by their Government. I think the British public were entitled to know what the Government of India thought of this important question. But I did not agree to the publication of the first telegram. I was considering the matter. It was only when I received, on the Saturday, another telegram urging an immediate answer in the interests of India that I said to myself: "Here is the Viceroy coping with a difficult situation. After all, he is no child in public affairs. Lord Reading, a member once of a British Cabinet, His Majesty's Ambassador once in Washington, a man who has had in his own keeping the vital interests, not merely of millions of the British taxpayers' money but the vital interests of the good relations between ourselves and the United States of America, a man who has successfully, to the admiration of the whole world, discharged these functions, a man with a full knowledge of what he was doing, asks me not once but twice, to assent to the publication of his views." I know the difficulties in India, and I say it was my duty to support the Viceroy. (Cheers.)

Now it is said that the publication of this telegram has committed the Home Government in the conference which is about to take place. Why publish it on the eve of a conference? Well, even the harshest of my critics will agree that it would be no use publishing it after the conference. (Laughter.) But I wonder why it is that His Majesty's Government have refused to publish the telegram in which I gave sanction to the publication of this document. If they had, it would have been demonstrated to the world that I recognised that His Majesty's Government had got to take wider facts into consideration than the interests of India alone; that these views could only be put forward for consideration, although I venture to think, when you reflect that Turkey was beaten in the main by Indian soldiers, that India is entitled to a



predominant voice in the consideration of such questions. (Cheers.) It would also have been seen that I told the Government of India that one of their terms—the religious suzerainty of the Caliph over the Holy Places—was not a matter in which, in my opinion, the Allies could interfere, but was a religious matter between the King of the Hedjaz and the King of Mesopotamia and the Sultan at Constantinople, and that the Prime Minister had agreed and had assured the Indian Muhammadans that there would be nothing in the Treaty to prevent such an agreement.

#### Lord Curzon's Foreign Policy.

It is in the power of the Government to keep secret such an official document, but I cannot understand why it was not published. I am sorry if the needs of India have embarrassed the foreign policy of Lord Curzon. How little he knows the disastrous effects that have been produced in India by the foreign policy—the missed opportunities, the bungled undertakings. I have tried my best. I have hoped and hoped for an amelioration in the position. I have waited patiently, feeling that, in the long run, things would come right, and that the inherent justice of India's cause would be recognised. I have been on the verge of resignation on this question again and again and hesitated because I did not wish to say to the Muhammadans of India that solemn pledges made to them were irretrievably lost. I say to them now—after this has been done—do not think for one moment that the anger of the British Government with me means that there will be any disregard of their views. There is still hope, and I beg of them to exercise patience. (Cheers.)

No, the publication was not the real reason for my resignation. What is the reason? Well, I have been pleading, arguing, cajolling, urging against the Prime Minister's policy in the East ever since the Peace Conference. I have never been able to understand from what motive his pro-Greek policy was dictated. Pro-Greek it is called. I do not believe that it is in the interests of the Greeks. I do not know in whose interests it is. I am certain it is calamitous to the British Empire. Well, I suppose one day we shall understand the motive (a Voice: "Never"); but I want to seek the real cause for the fact that I stand before you to day a free man, asking for your continued support.

I seek an explanation in the political situation of the day. You know what has been going on. (A Voice: "Intrigue.") You know how dangerously near collapse the Government was. I am a believer in Coalition as I have defined it. I owe much, too much, to Progressive Conservatives and loyal Conservatives in this cons-



tituency and all over England to wish to part with their co-operation ; but as I said at the beginning of my speech that co-operation must be consistent. Believe me, you make the principle of Coalition ridiculous if you try to apply it by standing first on one leg and then on the other ; by making up for and paying the price of every Liberal measure by doing something for the Conservatives the next day. (Cries of "It is a Tory Government.") At the present moment the Liberal members of His Majesty's Government are long-suffering and they are patient. They see their colleagues disappearing one by one. But the Conservative wing of the Coalition has had a lot to swallow in the Irish policy—the greatest thing this Government has done and the thing that will redound longest to the credit of our Prime Minister.

It has been a very serious step for some Conservatives to take. I am not referring to them ; I am referring to that wing of the Conservative Party which is known as the "Die-hard" Party. I want, if I may, to appeal to that wing of the Conservative Party, and the appeal, I hope, will be effective. I should like to make an appeal to that part of the Conservative Party on behalf of that great genius, the Prime Minister. The other day, at the luncheon in the City to Sir Arthur Balfour, another great Conservative who has contributed to this Government one of its epoch-making successes, Lord Birkenhead assured us he would never wish to part with the "Die-hard" section of the Unionist Party. Well, that is the section which is most restive. That is the section which has been worried most by the Irish settlement. That is the section which does not like me. (Laughter.) The Prime Minister gave them an appetiser of what was coming when, on the occasion of the last Indian debate in the House of Commons, getting up to defend me, a member of his Government, the exponent of a policy which, on the doctrine of collective responsibility, he was responsible for, he paid compliments to the men who had attacked me, but said not one word in defence of me. (A voice :—"It is like him, a back-hander !") They must have been familiar, recently, with concealing expressions of opinion given by him privately to members of their Party at the dinner table even in the precincts of the House of Commons. There he stands—the greatest strategist in the history of the world—scenting the air, waiting for the pursuit, and throwing to the wolves the most convenient cargo. (Laughter and cheers.)

#### An Appeal to the "Die-Hards."

I want to make this appeal to the Die-hard Party on behalf of the Prime Minister. They have made against me wild and base-



less charges and accusations. They have shown, as I think, in Indian affairs, as in all other matters, a complete lack of political sagacity and political vision which is characteristic of them. They represent the desperate demand of foolish but honest people to crystallize against the march of time every anachronism in the world. They have unwittingly instigated riot and revolution by their lack of sympathy with humanity and progress. They have advocated interference with the Government of India from White-hall. They have been supported by Lieutenant-Governors who have left India, by other disgruntled persons connected with India, by luxurious ex-Governors of inconspicuous and inglorious careers. They have fomented unrest in the Indian Service by baseless rumours and lack of support. They have invented speeches by me belittling the Indian Service ; they have snatched partial quotations from my writings, and obviously and grotesquely distorted their meaning. They have asserted that the Government of India was prevented from maintaining order from Home. My successor in the India Office will find ample evidence of the support given by me and my Council with whom I have worked for the common purpose to give support, help, and suggestions in the maintenance of law and order in India—support, help, and suggestions made to the Service in India. He will find nothing to the contrary sense.

I believe that this Die-hard Party, honest and sincere as they are, is the most dangerous element in the political life of this country. I believe they represent the smallest part of the people of this country, but I appeal to them still. All their efforts as regards myself, all their follies, all the strenuous efforts they have made to get me removed, have resulted in a series of the most ignominious defeats in the lobbies of the House of Commons, but now this is why I make the appeal. The great genius who presides over our destinies has done for them what they could not do for themselves, and has presented them, to appease them and get the support for which Lord Birkenhead pleaded, with what they have so long desired, my head upon a charger. I ask the Die-hard Party in this country to give to the Prime Minister that earnest support which for the moment he has so well deserved from their hands.

I think I have shown you that the doctrine of collective responsibility will not do ; I think I have shown you that the publication of the Government of India's despatch was justified : I think I have shown you another and more obvious explanation.

#### **The Highest Destiny of India "**

I want to say through you one word, and one word only, to those whom my words may influence in India. I would say to them that whatever a particular Govt. may do, the British people, I am



convinced, are sympathetic above everything with the people of India, and at the hands of the British people India will win to its appointed destiny, to the only destiny I think it is possible to contemplate if India is to succeed at all—freedom within the British Empire. There is no obstacle, in my opinion, if the appeal is made to the British people—there is no obstacle to the achievement of the goal which has been promised them except disloyalty and Non-co operation. I beg of the Indians to remember that race-hatred will only delay the day, and their only chance—and a good chance—is in the confidence that will be begotten between the great people of this country and the great people of India by common action and common co-operation.

To the British people I would say: "Do not, above all things, allow your Government in your name to vacillate in their Indian policy". I do not believe it is in danger. Even the Die-hards admit that promises must be kept. They will be satisfied with my disappearance. It was their day on Thursday, and everything was done to make it a success. Mr. Chamberlain, in announcing the decision, did it in such a way as to avoid any expression of regret in order that the House might enjoy the uninterrupted vociferations of the Die-hard Party without any counter-cheers or dangers of that kind to spoil the day. But the policy I believe to be safe. Rouse yourselves before it is too late to avoid what I believe will mean the destruction of the British Empire.

#### Britishers to keep their Pledge !

You can adopt an education policy and advertise it to the world and then cry "Hold." \* You can urge a Minister to build houses and then throw him over because he has built them. \* But you cannot build up an Indian policy one day and vacillate with it the next. The British people have a right to demand, and will demand, loyalty and the preservation of order. If they get these, I implore them not to be dismayed by temporary difficulties, but to pursue the path to which we have been pledged and to let no Government betray us into breaking these pledges. The only way to concentrate the attention of the people in India on Indian affairs is to give them the right and chance to earn the control of affairs in their own hands.

#### The cultural Conquest of India.

Above all, remember the great work which has been done by our countrymen in India. Remember that, perhaps, one of the greatest achievements is the dissemination through that country of

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\* Reference is to Mr. Fisher, Education Minister & Dr. Addison, Minister of Public Works, both of whom were at first pitchforked by the Prime Minister and then sacrificed. The Prime Minister's career has been marked by big promises to secure votes and little performances. He has broken pledge after pledge but never ceased from indulging in high talk.



British ideals and the worship of British institutions. Our text books are in the schools, our books are read in the universities; the teachers are English. It has been slow progress for lack of funds, but it has been Western education which for the last 150 years we have been spreading in India. Do not turn round to the Indians now and say, "We have lost faith in our democratic institutions. All our teachings was a mistake and we are now going to deprive you of what we have taught you to work for and what will be the fulfilment and logical goal of all British endeavour in India."

That is all I have to say. I do not believe that my disappearance means any alteration in Indian policy. I do believe that it has nothing to do with the doctrine of collective responsibility. I do believe that it was in the main an effort to preserve this Government from the fate which must attend it if one of its wings crumbles. Whether those methods will be successful, it is not for me to say. Whether this Government will adjust its own initial differences is not for me to say; whether it will be easy to create a national party without leaving out a single Die-hard and with as few Liberal Ministers in it as possible, it is not for me to say, but that does not mean for one moment that an honest co-operation between Liberals and Conservatives is not one of the things we ought to strive for in the difficult times in which we live.

I have spoken to you with all the sincerity that I can command. I have told you all that is in my mind. I am a free man. Having made this explanation to you, I propose to do what no man in office can ever do—get a holiday, and I propose after that to take my seat in the House as a Liberal believing in honest co-operation with that part of the Conservative party which has demonstrated its willingness to co-operate. I shall support this Government or any other Government when I think it right. But I want you to take counsel with yourselves; I want you to consider this matter among yourselves. I appeal to you last as a supporter and a member of this Government. My views have not changed. I have pursued consistent policy. I have pursued that consistent policy patiently, and with only, in latter days, a partial support from those who were equally responsible with me for that policy.

My share in public affairs has only been possible by the support which I have had for so many years from my constituents in Cambridgeshire from all parties. My seat in the House of Commons is at the disposal of Cambridgeshire, and must ask for an expression, as I can hope and pray, of your confidence, and for your opinion in order that I may be entitled to contribute in the future, as I have striven to contribute in the past, my small share to the well-being of our country and of our Empire. (Loud cheers.)



## HOUSE OF COMMONS

13TH MARCH 1922

Mr. Chamberlain, asked by Sir J. D. Rees whether, in view of the unfortunate effect upon Muhammadans in India of the resignation of the Secretary of State following immediately upon the publication of the Government of India's pronouncement, some signal and decisive repudiation of any want of sympathy with the Indian Moslems on the part of his Majesty's Government could be devised and might be expected, said:—If my hon. friend will look at the letter by which the Prime Minister accepted the resignation of the late Secretary of State for India, he will see that the resignation had nothing to do with the merits of the policy advocated by the Government of India, but only with the publication, on the sole responsibility of Mr. Montagu, without consultation with the Prime Minister, the Foreign Secretary, or the Cabinet, of a telegram raising a question whose importance, to use the Prime Minister's words "extended far beyond the frontiers of India; or the responsibilities of the Office of Secretary for India." As recalled by the Prime Minister in the same letter, the views of the Government of India and of Indian Muhammadans have been laid fully before his Majesty's Government and the Peace Conference and have received the most careful and sympathetic consideration of His Majesty's Government. Our object has been, and is, to secure a just and honorable peace between the belligerents.

Colonel Wedgwood.—(Newcastle-under-Lyme, Lab.) later asked the Leader of the House whether he had anything to say as to the charges made by the right hon. gentleman, the member for Cambridge (Mr. Montagu).

Mr. Chamberlain.—Notice of this question was sent to my room at the House and only reached me a short while ago. May I take this opportunity of appealing to the House to send private notice questions to Downing-street? If they will do so, it will put me in a better position to deal with them. The speech which my right hon. friend, the late Secretary of State, made at Cambridge on Saturday night covered such wide ground that I can hardly deal with it fully, if it were desirable that I should deal with it at all, in answer to a question. But there is some information which, I think, I ought to give the House at once. May I first of all deal with a minor matter which concerns myself? In the course of his speech, my right hon. friend said:—"Mr. Chamberlain, in announcing the decision, did it in such a way as to avoid any expression of regret in order that the House might enjoy the uninterrupted



vooiferation of the Die-hard Party without any counter-cheers or dangers of that kind to spoil the day." (Cheers.) Nobody would gather from that statement of my right hon. friend that before making the answer, I had submitted the terms in which I had drawn the answer to my right hon. friend and he had made no objection to them. (Cheers.) The hon. and gallant gentleman (Colonel Wedgwood) apparently thinks that is an observation of no importance. He was in the House, and other hon. members were in the House, and they will judge whether I sought—indeed, those who know me will know that if by any words of mine I could have avoided it I would have avoided such a demonstration as that. (Cheers.) I pass from that which is, after all, a very small matter, but one which I cannot have wholly unnoticed—I pass from that to what is a graver matter, the statements made with regard to my noble friend, the Secretary of State for Foreign Affairs. My noble friend is laid up in bed in the country, but he has telephoned that he shall, under any circumstances, come up to London to-morrow in order to be in his place at the first sitting of the House of Lords to make a statement in regard to what has been said respecting himself. (Cheers.) I will at once, however, tell the House what I know about the sequence of events. I have ascertained that the first telegram from the Government of India—the one which was subsequently published—was received in the India Office on Wednesday March 1st, at 8 A.M. The instructions of my right hon. friend, the Secretary of State, to circulate it appear to have been given on March 3rd (Friday) two days later. At any rate, the Paper circulated to the Cabinet, which has a heading "Circulated," this paper and that minute are dated March 3, two days after the receipt of the telegram in the India Office. The actual circulation took place at 2-30 P.M., on Saturday—that is to say, the papers were placed in the Cabinet boxes that were sent out from the Cabinet Secretariate at 2-30 P.M., on Saturday, the 4th.

On the same day a second telegram was received from the Government of India by the India Office asking permission for the immediate publication of their first telegram. My right hon. friend, the late Secretary of State for India, was, I believe, in the country when that telegram was received, and it was forwarded to him there. He authorised and directed the India Office to send a telegram in his name authorising the publication on that same day (Saturday). That was a private telegram in consequence of his absence in the country. He stated he would telegraph officially and fully on Monday. There was a Cabinet meeting on Monday, and before the business began my noble friend, the Secretary of State for Foreign affairs, called my attention to the



telegram from the Government of India and represented that it would be contrary to the public interest to have it published. I said I entirely agreed with him that such a telegram could not possibly be published at the present time. In the course of the Cabinet or at the close of the Cabinet, I am not quite certain, he spoke to the late Secretary of State for India, and he at once said, "I have already authorised it ; I authorised it on Saturday." The late Secretary of State for India gave no hint to my noble friend that there was still time to stop publication of the telegram. Had he done so, of course, my noble friend would have consulted me, and we should, if necessary, have consulted the cabinet or acted on our own responsibility, and at once have sent a telegram stopping publication. I imagine the late Secretary of State for India did not suggest that there was still time to stop publication because he himself did not believe it. The Indian Government had asked leave to publish immediately. He had given that authorisation on Saturday, and it was only afterwards, for reasons into which I do not go, that the Government of India delayed publication. I have only one further thing to say. My right hon. friend, the late Secretary of State for India, in his speech at Cambridge took the very unusual course of referring to a private letter sent to him by Lord Curzon—such a private letter as Ministers often send to one another. My noble friend wrote the letter as one Cabinet Minister to another, and did not even keep a copy of it himself. I think it is regrettable that the right hon. gentleman, the member for Cambridge, should have referred to a private communication of that kind. (Cheers.)

COLONEL WEDGWOOD.—Is it not a fact that the noble lord the Foreign Secretary in writing to the ex-Secretary of State for India did not protest against the lack of Cabinet solidarity in publication, but asked that in future any such despatch should not be published without Cabinet authority ; and would the right hon. gentleman therefore get permission from the noble lord to have that letter published so that we can see exactly what attitude was taken towards this shocking breach of tradition before it was found advisable to get rid of the Secretary of State for India.

Mr. CHAMBERLAIN.—The hon. and gallant member is entitled to ask a question, but he is not entitled to make insinuations of that kind when using the forms of the House professedly to seek information. (Cheers) COLONEL WEDGWOOD.—What was the insinuation ? The hon. and gallant gentleman insinuates that the reasons publicly given for the resignation of the late Secretary of State for India were a mere pretext. The sugges-



tion is absolutely unfounded. (Cheers.) I have told the House already that not only have I not seen the letter written by my noble friend to the Secretary of State but that it was such a private letter from colleague to colleague that he himself did not keep a copy of it. I cannot say anything as to the publication of the letter. My noble friend will no doubt deal with it in the House of Lords to-morrow. But I do say there is indeed an end to Cabinet responsibility if one Cabinet Minister\* is to allude publicly to a private letter received from another Cabinet Minister and is by so doing to force publication.

CAPTAIN WEDGWOOD BENN (Leith- L.)—May I ask whether the Government have any objection to the full publication of this letter? Does the latter request the late Secretary of State not to bring these matters before the Cabinet, but to consult the Foreign Secretary on the matters? (This was the crux of the whole matter in question).

Mr. CHAMBERLAIN.—I have said I have not seen the letter. I have no doubt my noble friend will say whatever he thinks necessary on the subject in the House of Lords to-morrow.

COLONEL WEDGWOOD—The right hon. gentleman suggested that I made an insinuation. May I ask how he reconciles the action taken towards the late Secretary of State for India and the action taken in exactly similar circumstances towards the speech of the Secretary of State for the Colonies (Mr. Churchill on Kenya Indians see before) in connection with a similar subject?

Mr. CHAMBERLAIN.—The hon. and gallant gentleman having made an unfounded allegation now tries to cover his action by an argument. I state that his allegation is unfounded. (Cheers.)

THE SPEAKER.—I have received a notice from the hon. member for the Scotland Division of Liverpool (Mr. T. P. O'Connor) that he wishes to ask leave to move the adjournment of the House. I do not know whether what had occurred just now may alter his view, but I think I ought to point out that his motion ought not to raise questions of Government policy, and only this immediate matter of incorrect attitude between individual Ministers.

Mr. T. P. O'CONNOR.—The Leader of the House has made an appeal to me not to put this motion in a letter which was sent to me only this morning, and I am very much impressed by his suggestion, especially at a critical moment like this for my right hon. friend.

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\* This is clearly a prevarication, Mr. Montagu made the statement after his resignation.



I feel that I ought to ask the opinion of the House upon my motion if it be in order, as I understand it is, because I think it is necessary we should have a frank discussion on an incident so remarkable; and, secondly, to put ourselves right with peoples of India and of Eastern Europe and for that reason I hope my right hon. friend will make no opposition.

MR. CHAMBERLAIN.—May I say that my appeal to the hon. gentleman not to make his motion was based on two grounds? One was that we are pressed for time in our financial business. The other and the more important ground was that I thought it contrary to the public interest that we should have a discussion upon policy to be followed in the Near East in anticipation of the Paris Conference. That I understand, would not be in any way in order, and accordingly that falls to the ground. I shall not raise any objection if the hon. member wishes to discuss this matter. I confess I should have expected my right hon. friend the member for Cambridge to be in his place after the speech he made at Cambridge.

MR. T. P. O'CONNOR.—May I say that I sent my right hon. friend (Mr. Montagu) a letter saying that I was going to make this motion?

MR. CHAMBERLAIN.—It is desirable, when we do discuss his speech, that he should be in the House.

THE SPEAKER.—I must again point out to the hon. gentleman (Mr. T. P. O'Connor) that his proposed motion does not raise, and it would not be in order to raise the question of policy in the Near East. It raises only some alleged incorrect action on the part of the Minister without the consent of the Cabinet, and to that the debate must be confined. (Hear, hear.)

After further discussion it was settled that Mr. O'Connor would move for an adjournment of the House to discuss the matter on Wednesday next, *i. e.*, the 15th March '22 after Lord Curzon had made his statement in the Lords next day.



## HOUSE OF LORDS

14TH. MARCH 1922

The following is Lord Curzon's Statement in the Lords :—

The Marquess of Curzon, Secretary of State for Foreign Affairs said :—My Lords, I am sorry to have to ask your Lordships' attention for a few moments to a personal matter arising from the reference to myself contained in a speech made by a late colleague of mine, Mr. Montagu, on Saturday last. I had thought, my Lords, that a Foreign Secretary who is about to proceed to Paris for the discussions on the Eastern question was the chief sufferer by the astonishing act of the late Secretary of State for India, in as much as the authorisation by him of the publication of the manifesto of the Government of India could not but gravely affect the position of the British representatives in the forthcoming Conference. But I learnt, greatly to my surprise, from Mr. Montagu's speech, that I am deemed in some way to have connived at this injury to the public interest in my charge, and this amazing proposition Mr. Montagu endeavours to establish by a public reference to private correspondence with me and to private conversation in the Cabinet Chamber, which I cannot help thinking must be without parallel in the history of Cabinet procedure. (Hear, hear.) I am compelled, therefore, to state the facts.

In common with my colleagues, I received on Saturday afternoon, March 4, from the Cabinet Office, a copy of the telegram from the Government of India, in which they sought permission to publish their manifesto about the terms of peace with Turkey. Knowing that there was to be a Cabinet meeting at the beginning of the next week, and not deeming it possible that Mr. Montagu could conceive of publication without reference to his colleagues, I regarded it as certain that the question would be brought up at the meeting on Monday. On that day before the proceedings began I mentioned the Viceroy's telegram to Mr. Chamberlain, who presided in the absence of the Prime Minister and expressed to him the view that, when the permission of the Cabinet to publication was sought, it must be unhesitatingly refused. In this he concurred. A little later, in the course of private conversation of a few seconds only with Mr. Montagu, I said, "Of course you will not authorise publication without reference to the Cabinet." To this he replied, "I have already done so, on Saturday last." I was so dumbfounded at the avowal that the Secretary of State had already given his sanction, as has since transpired, before the telegram from the Government of India could even have been seen by many of his



colleagues, that I closed the conversation and returned to my seat. Had Mr. Montagu given the slightest hint that there was still time to cancel or to postpone the order which he had sent to India by telegram two days before, or had I regarded such a suspension as possible, I should at once have brought the matter before the Cabinet, but I assumed that publication had already, under Mr. Montagu's authority, taken place in India, all the more so as the Government of India pressed for immediate sanction to publish. I presumed therefore—and in the circumstances no other presumption was possible—that it was too late for me to intervene. Furthermore, the responsibility for the step was not mine. It was for the Secretary of State for India to explain and to justify his own action, already taken, to the Cabinet. He was the Secretary for India, not I. Whether he then or afterwards proceeded to do so or not, I do not know, for, being ill at the time, and having only risen from bed to attend the Cabinet for certain Foreign Office matters, I left the room as soon as those had been disposed of.

#### The Private Letter

Feeling however, profoundly disturbed and dismayed at the action which Mr. Montagu had just revealed to me, I wrote to him a private letter the same afternoon, deploring the action that he had taken and protesting against the repetition of any similar occurrence. Of so intimate a character was this letter, written by one colleague to another, that I did not even take a copy of its contents. I regarded it as no less confidential than scores of similar letters which Mr. Montagu had addressed to me while we had served together, sometimes at the rate of two or three a week, the character of which I will not follow his example by attempting in public to describe.

I awaited the reply to this letter throughout Tuesday and Wednesday, before deciding what further steps, if any, it might be desirable for me to take. Neither then, nor since, did Mr. Montagu favour me with any answer. Instead of this, the late Secretary of State, reversing the ordinary procedure by which the Minister who has resigned makes his explanation in Parliament, where his statements can be checked or answered (cheers), went to his constituents, addressed a political club of his own supporters, publicly referred to and travestied both my private conversation with him and my private letter, vilified the colleague whose advice in relation to Indian matters and Indian, foreign, and frontier affairs he had not ceased to solicit and receive in unstinted measure in most weeks in recent years, and endeavoured to shift some portion of the responsibility for his lamentable indiscretion on to my shoulders.



My Lords, I have this morning received from Mr. Montagu a copy of my letter, and I hold it in my hand. It was marked by me "private." My Lords, it seems to me intolerable, as I believe it to be an unprecedented thing, that an ex-Cabinet Minister should, by quoting and distorting in public a private letter written to him under the seal of confidence by a colleague, compel its publication to the world (Cheers). Such a proceeding appears to me neither consistent with the confidence which should prevail between Ministers, nor with the honor of public life. But Mr. Montagu has left me with no alternative, and I will now read the letter to your Lordships. But first let me ask your Lordships to recall Mr. Montagu's description of it. This is what he said at Cambridge:—"But what did Lord Curzon do? He maintained silence in the Cabinet and contented himself that evening with writing me one of those plaintive, hectoring, bullying, complaining letters which are so familiar to his colleagues and to his friends, which ended with the request, what?—not to discuss the matter in the Cabinet, but in future not to allow publication of such documents without consultation with him. That was all." I will now read the actual terms of the letter :

*Private*

March 6, 1922.

"DEAR MONTAGU,—I much deplore that you should have thought right without consulting the Cabinet to authorise the publication of that telegram, even as amended. Had I, when Viceroy, ventured to make a public pronouncement in India about the foreign policy of the Government in Europe, I should certainly have been recalled. As it was I was once rebuked for making a casual reference in a speech.

I consulted Chamberlain this morning in the absence of the Prime Minister, and found that he entirely shared my views. But it was too late. That I should be asked to go into the conference in Paris while a subordinate branch of the British Government 6,000 miles away dictates to the British Government what line it thinks I ought to pursue in Thrace, seems to me quite intolerable, but the part that India has sought to play or been allowed to play in this series of events passes my comprehension. Moreover, it is of very dangerous import, for if the Government of India, because it rules over a large body of Muslims, is entitled to express and publish its views about what we do in Smyrna or Thrace, why not in Egypt, Sudan, Palestine, Arabia and the Malay Peninsula or any other part of the Muslim world? Is Indian opinion always to be a final court of Muslim appeal?

I hope this may be the last of these unfortunate pronouncements, but if any other is ever contemplated, I trust at least that



you will give me an opportunity of expressing my opinion in Cabinet before the sanction is given.

Yours ever, Curzon."

Your Lordships can form your own opinion as to the tone of the letter I have read. (Cheers). But you will observe that instead of requesting, as alleged by Mr. Montagu at Cambridge, that he should in future discuss such matters with me without bringing them to the Cabinet, I said, on the contrary, precisely the reverse. I urged that it was before the Cabinet. I should be given an opportunity of expressing my opinion before any action of this sort was ever again taken by the Secretary of State for India. Such, my lords, are the facts of the case, upon which it is open to anyone who hears or reads my words to pass his own judgment. They leave me still quite unable to determine whether the private or the public conduct of the late Secretary of State for India has been the more inexplicable and surprising, and in using those adjectives I am astonished at my own moderation. (Laughter and cheers.)

#### Lord Crewe's Views.

**The Marquess of Crewe** said he desired to express the sympathy which he was sure their Lordships all felt with the Foreign Secretary in the circumstances in which he had come to the House. The noble Marquess had been seriously ill, and they all watched with sympathy the difficulty and emotion with which he made the statement he had thought it was his duty to come down and present to their Lordships at the earliest possible moment. On the actual circumstances of this most unhappy event he did not wish to say much. He had been a colleague both of the noble Marquess and of Mr. Montagu, and he had no desire to engage in any personal criticisms of the action of either. The noble Marquess had stated his case with the utmost fairness, and he felt bound to say that so far as the original cause of his indignation was concerned he would receive the universal sympathy of the House. (Hear, hear) Mr. Montagu had rendered, at any rate in the opinion of many of them, great services to India in the past, and he could not mention his action on that occasion without paying that tribute to him. But it was, he believed, the universal opinion of their Lordships, and as it appeared to everybody outside, that in having sanctioned the publication of this particular telegram—the manifesto as the noble Marquess described it—of the Government of India, expressing the views they were known to hold but which they were not entitled to give formally to the world, Mr. Montagu committed a breach of the ordinary proprieties of Cabinet Government to which, like the noble Marquess, he (Lord Crewe) could recall no precedent.



He did not desire to enter into the circumstances of the correspondence that ensued. He would only say this, that the letter of the noble marquess, as read by him, did not appear to deserve the particular epithets applied to it by Mr. Montagu. (Cheers.) If he had to criticise the letter, he would have said it was rather more formal in tone than was perhaps customary between men who were in the habit of sitting round the same table several days a week and perpetually working together. That was the opposite kind of criticism to that which the recipient had levelled at it. He had no desire to say anything more on the personal question, but he could not help observing that action of this kind on the part of a Minister, surprising as it might be, was less surprising than it would have been from a member of a Government in which the old tradition of collective responsibility had been more uniformly respected. They could not help recalling other cases in which his Majesty's Ministers seemed to have arrogated to themselves the right to make speeches, either on the platform or sometimes even in Parliament, conveying views distinct from and even opposed to those which were understood to be entertained by the Government as a whole. (Hear, hear.) If this particular Minister had gone too far, as they all thought he had, in the assertion of this independence, he (Lord Crewe) was afraid he had been encouraged to do it by the manner in which No. 10, Downing-street had conducted the system of Cabinet Government. What really mattered, after all, was what was going to be the effect upon India, and what was going to be the effect upon Europe. That was not the moment to discuss what the possible effect on either might be. The most that anybody could do was to review the whole of this episode as soberly as possible, and trust that when it came to the discussions regarding Greece and Turkey it would not be allowed to enter into the question at all. He hoped that the episode would be completely blotted out of the mind of the Conference which was to take place in Paris. There was this much to be said, that the particular opinions of the Indian Government went far beyond the merits of the case, and, that being so, he trusted that this most unfortunate publication would not in the event interfere with the smooth progress of the Conference. (Cheers.)



## HOUSE OF COMMONS

15TH MARCH 1922

At 8-15, Mr. T. P. O'Connor (Liverpool, Scotland, Nat.) moved the adjournment of the House in order to call attention to what he described as the serious lack of co-ordination of His Majesty's Ministers which had brought about the resignation of Mr. Montagu as Secretary of State for India. He said the position in India was sufficiently serious to impose great restraint on every man with any sense of responsibility. He was not going to make a personal attack on Mr. Montagu, nor did he propose to make any suggestion of disagreeing with the general policy of his right hon. friend in India. As a matter of fact, he was in entire sympathy with that policy, as were most of his friends. The object of the motion was to bring out the want of co-ordination between the late Indian Secretary and different members of the Government. As he understood it, the reason for Mr. Montagu's disappearance from the Indian Secretaryship was that he was regarded by the Prime Minister and his former colleagues as having made a deadly assault on the principle of collective responsibility of the Cabinet. He demanded from the Government a clear statement that they would not carry obedience to what were supposed to be Muslim opinions to the extent of abandoning the principle of the protection of the people of the East from massacre. (Cheers.) Mr. Griffiths (Pontypool, Lab.) seconded the motion.

## Mr. Montagu's Speech in Defence

Mr. Montagu (Cambridgeshire, C.L.), who rose in the shadow of the back bench beneath the gallery on the Ministerial side, came down to the bench in front in response to calls from members. He said :—

I do not propose to take part in the debate on the interesting topic which Mr. O'Connor has raised, but I will deal with some of the very grave personal charges that have been made against me. My right hon. friend the Leader of the House says that I have complained of the statement made to the House announcing my resignation, and that I had no right to do so because he told me of its terms beforehand. It is true that he consulted me as to the terms and that I took no exception to them. Did he expect that I should say, "I have served with you four-and-a-half years. I have been on close and intimate relations with you and your colleagues. You might be kind enough, generous enough, to put in one word of regret at the severance of this colleagueship"? Would it have been of any



use to me if he had put it in at my suggestion? I took note of the effect of what he proposed to say, and I left his room with the hope that he might say something, but, of course, I did not expect that he should tell me of the personal side of his remarks. I left his room after what was, of course, a painful conversation, with memorable, unforgettable recollections of his personal kindness, sympathy, and consideration. That attitude I shall always remember, but I shall find it equally difficult to forget the scene in this House (Labour cheers) when that was all he could tell the House about our parting.

My right hon. friend gave to the House a time-table of the events in connection with the publication of the despatch. I make him a present of his time table. He will find on inquiry at the India Office that I gave instructions verbally the very moment I saw the telegram of the Government of India that it must be at once circulated to the Cabinet. I take it from him that delays occurred between my verbal instructions and the actual duplication of the telegram and its submission to the Cabinet, so that it was not till Saturday that he received the telegram. I do not think that alters my argument at Cambridge. It is true that before the Cabinet on Monday every single one of my colleagues had had, or ought to have had, that telegram in his possession for at least 48 hours—Saturday till Monday.

#### Lord Curzon's Impudent letter

I come to the most serious charge, that I committed a grave impropriety by referring to private letters and private conversations. Does not the right hon. gentleman understand that that is really my charge against the Government? They say that I had committed a constitutional outrage which unfitted me to continue as their colleague, that I had allowed this telegram to be published without consultation with them. How do the Leader of the House and the Secretary of State for Foreign Affairs deal with the matter? They deal with it entirely and absolutely by private conversation. That is what I complain of. This telegram was received by the Cabinet on Saturday.

It was known by the Leader of the House and by the Secretary of State for Foreign Affairs that I had authorised the publication on Monday, Tuesday, and Wednesday. I was seeing my colleagues every day. Not one of them ever said to me that I had committed a grave constitutional outrage. The only action that was taken was the private letter written to me by Lord Curzon. Let me ask my right hon. friend this: Supposing I had gone to the public and said: "I committed this constitutional outrage, and the Govern-



ment and no member of the Government said anything." They would have said : "What a misrepresentation of the fact. Did not Lord Curzon write and tell you?" I had no choice. Do look at it form my position. I have committed a grave constitutional outrage, not discovered, apparently, by His Majesty's Government until Thursday, when the Prime Minister returned to active business. During the whole of that time the only action taken by the Government is this letter. I have never been given an opportunity by those who believe so convincingly in the doctrine of joint Cabinet action of confronting my colleagues—(Labor cheers.) of arguing my case with my colleagues. (Labor cheers.) I saw the Prime Minister on Thursday, and it was made plain to me that I could no longer remain a member of His Majesty's Government. Do have some thought of my position. You tell me I have committed a constitutional outrage and the only action you take until you see the effect in the newspapers and what the Press tell you is a private letter, and then you tell me I must not allude further to that private letter :

#### Resignation, a Pretext

I say I was justified and could not avoid proving—May I say this? I believe and I cannot cure my mind of the belief that this reason for my resignation was a pretext. (Labor cheers.) I was there to prove that your action between that Monday and that Thursday was evidence that it was a pretext. Unless I took Lord Curzon's private letter and referred to it I could not make out my case, and I say with great emphasis to the Leader of the House that the fault lies in the methods of the Government which dealt with what they say to-day is so grave a matter by no other method than by private letter and by private conversation. (Cheers.) I have said, and I say again, that in my view, rightly or wrongly, the publication of this telegram was not a matter that I need bring before the Cabinet. Rightly or wrongly, it is obvious from Lord Curzon's letter that he took a different view. I shall never be able to understand this, and I beg the House to see if they cannot get to-day some answer. Take the ordinary meeting of any Board of Directors or any trade union or any private business in the world on any well conducted affair. The Secretary of State for Foreign Affairs, the man primarily concerned in all this matter, knows I have committed a grave constitutional outrage, and he goes back to the Cabinet, which is at the moment sitting, and instead of saying one word about the grave constitutional outrage that I have committed, sits silent there in the Cabinet and contents himself with writing me a private letter that same evening. What is the explanation of that? Could I raise it in the Cabinet? I do not think it was a Cabinet



matter. He (Curzon) does. There is another Cabinet on Wednesday. By that time Lord Curzon and the Leader of the House had ample opportunity of acquainting their colleagues of the outrage that I have committed. No reference is made to it at that Cabinet. What is the reason why what is alleged to-day to be so grave a constitutional outrage is never mentioned by those people who are most affected by that outrage? (Labor cheers.)

Before passing from that I would add that I agree with the Leader of the House that Lord Curzon could not have known on Monday—and I did not know—that action taken at that Cabinet would be in time to stop publication of the telegram. But I do say that, supposing that a Cabinet discussion had taken place and the Cabinet had decided that it was a grave constitutional outrage to publish this telegram, if a telegram had been sent to India immediately after that Cabinet saying: "Clear the line; His Majesty's Government take strong objection to the publication of this telegram. If it is not too late, stop it," I believe—and I said so on Saturday—it is an irony to reflect that there was a chance that the telegram would have come in time, and there was more than a chance that publication would have been stopped.

#### **The Charge of Misrepresentation**

There is a more serious charge made against me than that I referred to this private correspondence. It is said that I misrepresented it. I hope that even my sternest critics will acquit me, however low an opinion they take of my character, of having intentionally committed the folly of misrepresenting such a document. I am profoundly sorry that for one moment there should have been any misunderstanding on that matter. It never occurred to me that there could have been, until I saw the newspapers on Monday. Let me tell the House exactly how this very curious mistake arose. It is said that I stated that Lord Curzon in his letter had asked me not to bring this matter before the Cabinet. I made no such statement, and nobody who heard me would imagine I did so. Let me ask the House to consider an expanded version of what I said. The point I was making to my audience was that, on Monday when Lord Curzon knew of this grave constitutional outrage, he did not think—something happened between Monday and Thursday which made him think—that I had done something which would not permit my continuation in office, because at the end of his letter was, "Don't do it again," which showed clearly that he thought I was going to remain and would have the opportunity of doing it again. That struck me as the lamest possible ending to a letter coming from a man who thought that I had been guilty of an unpardonable constitutional outrage. Lord Curzon ended his



letter with a request to do—what? Not to hand my resignation to the Prime Minister, not to recognise that it was impossible that I should continue in office with him, not to come with him to the Prime Minister and discuss the matter, but merely and only a request not to do it again. Therefore the House will see, if you look at it from the point of view of the expanded version, that I said that Lord Curzon ended his letter—I was not quoting; I did not quote because I did not want the letter to be published—with a request—what? Not to bring it to the Cabinet, but not to do it again, or not to do it without consulting him. It was a clumsy, loose rhetorical expression, but if you will look at the verbatim reports of *The Times* and the *Daily Telegraph*, I submit that the interposition of the word “what” after “request” with a note of interrogation after it, showed that what I was saying was that Lord Curzon ended with a request—What? Not to bring it to the Cabinet, but to do something else. (Hear, hear.) Think of the grammar. Supposing that I had said that Lord Curzon made two requests—(1) not to bring the matter to the Cabinet; and (2) not to do it again. The proper conjunction would be “and” but the word which I used was “but.”

I say that what happened between Monday and Thursday was a pretext. I do not want to make any use in this debate of Lord Curzon's letter. I did not want it published; I think it was a very foolish letter. But what the House must remember, and what Lord Curzon forgot, is that for the purpose of this matter and for no other purpose the Government of India cannot be correctly described as a subordinate branch of His Majesty's Administration. India is a member of the League of Nations; the Treaty of Sevres was signed on behalf of India independently as well as on behalf of Great Britain and the Dominions, and I think it is the greatest folly to suggest that India, which has been given Dominion status for this purpose and was a party to the original Treaty, should not be allowed to express its opinion as to the modification of the Treaty. If it is allowed to express its opinion, what is the use of hushing it up? It is no use making that opinion after the Conference. The only time is before the Conference, and I think, as Lord Reading thinks, that the people in India and the people in Great Britain were entitled to know what are the views put forward on behalf of the people of India by the Government of India. It is not true to say that they were dictating to this country or to the Government of this country what the terms of the Treaty should be. What they did seek to do was to have their views given the fullest weight and authority and the fullest consideration. Of course, they would be the first to recognise that their views have to be harmonised



with other and wider views. But India is entitled to a predominant share in the settlement with Turkey because no other country is so interested or has so great a part in it. I do not believe that it will hamper the British Government ; I believe it will help it. I believe that if His Majesty's Government had found it possible to publish my telegram in answer, they would have seen that I myself recognised that it was impossible for the Allies to fulfil all the terms.

#### Cabinet Responsibility

I am conscious of the right of the Leader of the House to say, as he said last Friday, that if my views of the Government were what I expressed them to be, why did I not resign long ago. I did not raise the doctrine of breaches of Cabinet responsibility of which this Government has been guilty as a charge against them. That was not my intention. I was proud to be a member of this Government. I rejoiced in its achievements, and I am proud to have taken some part in them. What I object to is that this Government, which has flouted above all other Governments the doctrine of Cabinet responsibility, should have used that as an excuse for asking for my resignation. (Liberal and Labor cheers.) Therefore I have no cause on the grounds of Cabinet responsibility or its absence to resign from the Government.

My second reason for not resigning before was this. I fundamentally differed from my colleagues—that is notorious—on their policy in the Near East, but my colleagues had treated me very considerately. I had been given one of the most difficult positions a man could ever fill, the position as head of one of the Departments of his Majesty's Government and head of the Indian Peace Delegation. I believe I have used with moderation and with a recognition of the difficulties the right to freedom of expression on affairs in the Middle East so far as they affected India. My position would have been intolerable without it, and, moreover, rightly or wrongly, whenever I was at the point of resignation on this subject, I thought that the resignation on this issue of any Secretary of State for India would have meant that he despaired of getting these peace terms in conformity with our pledges, and would have had a disastrous effect on Muhammadans in India. I cordially agree with my right hon. friend, and I wish to emphasise his remarks that my resignation at this moment does not mean the rejection of the right to consideration of the terms put forward on behalf of the Moslem people.

The third reason why I have never thought it necessary to resign until now was that until quite recently I had every right to think that I had the loyalty and the confidence, not of some of my late colleagues, but of all of them. And, lastly, I loved my work ! The fascination of Indian problems has obsessed me all my



life. The Princes and the Native States with their individual history and characteristics, the people of India awakening, striving, often for ill-defined ideals, so varied in their developments, in their races, in their history, in their views, the glorious conception—as I thought it was, and as I still think it is—of a British Commonwealth of Nations bound together by its very freedom and the mutual respect of all its partners, acknowledging no differences of race and creed, of constitution or institution, owing allegiance, unswerving and devoted, to one King and one King-Emperor; the grave dangers of being rushed on the one hand to chaos and on the other of being frightened to reaction; a record unparalleled in the history of the world for unselfishness and personal sacrifice of the British effort in India. I wanted, I longed for nothing better than so long as I could to devote myself to these all-absorbing problems, and not to leave undone or half done at the most critical moment the work in which I gloried. (Cheers.) I have parted this week from colleagues in the India Office and in India with whom I worked for a term of years with uninterrupted accord, and I have laid down the proudest title that in my belief an Englishman can hold—the title of Secretary of State for India which means the right in particular to serve the King, this Parliament, and India, and this is the unhappiest moment of my life. (Cheers.)

**Mr. J. H. Thomas** (Derby, Lab.) said that he did not believe that the explanation of Mr. Montagu afforded sufficient justification for quoting from a private letter. (Hear, hear.) No graver injury could be done to public life or to any public man than that a private letter written under the circumstances in which private letters were written should be quoted in public.

**Mr. Montagu.**—I quite understand the point of view, and I presume that the Right Hon. gentleman would say the same if I said that I did not quote, but that I referred. The point is this, if I may say so. How much easier it would have been for me if I could have quoted it. The whole controversy, so far as the letter is concerned, has arisen because I could not; because it was a private letter. The whole of my case is that this is not the way in which the Government ought to transact its business.

**Mr. J. H. Thomas** said his answer was that there was the opportunity for the Right Hon. Gentleman to have come to the House and there stated the whole position. (Cheers.) At the same time, it was only fair to ask what excuse there was for Lord Curzon not bringing the matter immediately before the Cabinet when he had been told that this telegram had been made public. (Hear, hear.)



*Mr. Chamberlain's Reply*

**Mr. Chamberlain** said he had never been called upon to take part in a discussion so infinitely painful. On the part of it which dealt with the reference by his Right Hon. friend, Mr. Montagu, to the private letter sent to him by Lord Curzon and the explanation which he had given, he desired to say the least that he could say. His right Hon. friend referred to a private letter without the consent of the writer, having, as he had told them, no desire that the letter should be made public. There were obvious reasons why a letter so written from one colleague to another should not be made public. It was not written for publication, and he did not know exactly what the consequences of the publication might be (Hear, hear.) But Mr. Montagu must realise that he could not challenge the honor of a colleague by reference to a private letter from him and by so doing, call for and enforce the publication of that letter (Cheers). Referring to Mr. Montagu's conversation with Lord Curzon, he asked : Did his right hon friend hint to Lord Curzon that there was any possibility of stopping that telegram authorising publication? No. Why, asked Mr. Montagu, did not Lord Curzon at once announce to the Cabinet what had been done? Would it have been a satisfaction to Mr. Montagu or a congenial task to Lord Curzon? The mischief was done. Responsibility for the action rested in other hands, and Lord Curzon left it there.

The Prime Minister first knew of the publication when he read it in the London morning papers on Thursday. He sent for Mr. Montagu, and immediately after that interview the Prime Minister came to see him. He had never seen him so perturbed or disturbed about any public incident. The Prime Minister regarded the action of Mr. Montagu as a grave national misfortune—(hear, hear,)—and also as wanting in that loyalty from one member of the Cabinet to another which was essential to the smooth working of Cabinet Government. (Hear, hear.) No tradition of public life justified a Minister in publishing a telegram of such importance without first communicating it to any other Minister who was immediately concerned in the matter, and also submitting it to the Prime Minister, if not to the Cabinet itself. (Hear, hear.) Another lapse on the part of Mr. Montagu was that while he circulated the telegram he never circulated his reply to it, nor the telegram from the Government of India pressing for immediate publication. The responsibility for the whole unfortunate business rested not upon the Cabinet, but upon Mr. Montagu who did not let them know of the action he had taken. (Hear, hear.) It was for the Prime Minister and no other person to act, and the Prime Minister did act the very moment he became aware of what had been done. It was



the universal opinion that the Prime Minister was right in accepting the resignation which Mr. Montagu tendered. (Hear, hear.) His right hon. friend could not absolve himself from his responsibility in the matter by trying to charge Lord Curzon with failing in his duty. (Hear, hear.) It had been said that Mr. Montagu was sacrificed to the Die-hards clamour—(hear, hear)—and to the subservience of the Prime Minister and his colleagues to the Press. (Hear, hear.) That was not so. His right hon. friend resigned on the question of constitutional propriety and Cabinet responsibility. (Cheers.) If he had thought that by introducing other words into the statement he made in the House he could do anything to mitigate the pain of Mr. Montagu's position, or give consolation to him, he hoped the right hon. gentleman would believe that would have been done. One knew how profoundly he was interested in India, and how earnestly he had striven, and how deeply painful it was to him to sever his connection with that work while it was still unfinished. His right hon. friend was not the only Minister who had to resign. He was not the only Secretary of State who had found it was not compatible with his duty to remain in office. He (Mr. Chamberlain) sympathised with him, and he deeply deplored the right hon. gentleman's misconception of his duty to the Cabinet and the effect of his action in public affairs which rendered his severance with the India Office inevitable. (Hear, hear.)

Mr. Asquith (Paisley, L.) said that he regarded the procedure adopted by the late Secretary of State for India as incompatible with the elementary rules of Cabinet Government. At the same time he expressed his sincere regret that a career which had been associated with so much fruitful work in the interests of India and the Empire had for the moment been checked. (Hear, hear) Those who sat on the front Government bench had suddenly discovered and solemnly proclaimed to the world that there was such a thing as Cabinet responsibility. (Hear, hear.) That was most remarkable. (Laughter.) This affair was not an isolated incident, but a climax. The whole thing demonstrated the moral and political impossibility of attempting to govern by a Coalition which had no common cementing principle or policy. The moral he drew was this : that they should get back once for all to the old straight way when people were divided by real differences founded upon conviction and principle.

*Mr. T. P. O'Connor then withdrew his motion for the adjournment.*



## MR. MONTAGU'S THATFORD SPEECH

17TH MARCH 1922

Subsequently Mr. Montagu in presiding over a political and party meeting at Thatford in support of Sir Richard Winfrey, M. P. for Southwest, Norfolk, delivered a long speech lasting over an hour, in the course of which he said :—

I do not propose to pursue any personal matter, because on that I have on more than one occasion said my say. I do not propose, for instance, to weary you with my views about Lord Curzon (laughter), except to this, that his letter to me show anew, what I have always felt, that he will insist upon looking at Indian problems and the Indian Empire with the light behind him. He sees over that great land his portentous shadow, and he remembers as the high water mark, in his opinion, in its history the great days when he was Viceroy—days from which he wished that it had never changed !

This attitude on his part accounts for the fact that I have not, I am afraid, appreciated as much as he would wish what he would call, I suppose, “unstinted advice and assistance,” and what I should describe, if I were so minded, by a more accurate and rather different term. (Laughter.)

As for the Prime Minister, I again propose carefully to avoid any personal issue. Last week, when I was addressing my own constituents, I sought to make an appeal to that section of the Conservative Party known as the Die-hard section. To my regret, if not to my surprise, the appeal that I made does not appear to have been very successful. They had the exquisite satisfaction of receiving my head on a charger, but they hardly paused in their pursuit of the Prime Minister sufficiently long to devour the corpse !

The meal was followed in rapid succession, first, by that remarkable meeting of the Conservative Party in the House of Commons,\* which did not result, at any rate, in coming to an enthusiastic vote of confidence in the Prime Minister. Secondly, we read that two great and distinguished Conservative statesmen—men whose

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\* This refers to a meeting of 200 Unionist members of the House for the purpose of expressing confidence in their leaders and re-iterating pledges of support to the Coalition Govt. The discussion was a long and exciting one, and although it was expected that it would end in a triumph for Mr. Lloyd George, it was found that the Tory members did not want the Prime Minister unanimously but only on their own terms which were not easy. In the end no vote of confidence was passed, no resolution moved, and the conference ended in a melee.



patriotic achievements would have made everybody hope for success—have neither of them seen their way to accept one of the highest offices in the country.

We have seen them refusing the office on the grounds, it is alleged, with what truth I do not know, that they doubt the permanency of the Ministry. We should remember and admire the tremendous and almost unparalleled achievement of the Prime Minister for the benefit of this country and this Empire, and the world must sympathise with him in his well-merited holiday at Criccieth, where he is bound to recognise that all the expedients which he is using to help him in maintaining the Government (which, I believe, is almost indispensable to the well being of this country) are leading to what looks like a dangerous degree of humiliation and difficulty.

Mr. Montagu further said that there was hardly a matter of supreme importance to this country which really divided parties. And if they asked any ordinary citizen what were the supreme needs of the people of this country at the moment, he would reply first, peace, secondly, better trade, and thirdly, lower taxation. (Cheers.) The great word peace really covered the other two.

#### Lancashire's Losses in Eastern Markets.

Probably the most difficult position of the world to-day, so far as peace was concerned, was the position between Greece and Turkey, which not only disturbed the whole of the East, but had a vital effect upon the export trade of our country. There was no doubt that Lancashire was suffering to-day largely, if not mainly, because of the effect upon its exports of cotton goods to the East as a consequence of the foreign policy which we had been pursuing.

He said it last week—and he would say it again—he could not understand, and it had never been explained why it was that we alone of the Allies had been pursuing in the main what was called wrongly a pro-Greek policy. He said "wrongly," because he could not understand that it was of any use to the Greeks. It was certainly of no use to the British Empire.

We are at the last stage of the endeavour to get peace in the East, said Mr. Montagu. Lord Curzon was going to Paris next week, and it was because I authorised the publication of the views of the Government of India on this matter that I am addressing you no longer as Secretary for India, but merely as the owner and inhabitant of Beccles Hall, Norfolk. I have long ago dismissed as quite ridiculous the doctrine of Cabinet Responsibility as preached by my colleagues. I have given some instances, but I have been debarred from giving other striking instances which have involved this country



in heavy expenditure, because the instances which I gave were notoriously done without a decision of the Cabinet, whereas the instances I should like to give are not known to the public as coming within that category yet.

Returning to the subject of the Viceroy's telegram, Mr. Montagu quoted from a speech of Sir William Vincent, the Home Member of the Government of India, on February 21st. 1921, in which he (Sir William) quoted from a speech by Lord Chelmsford, the then Viceroy, who said, 'Shortly after the Armistice I wrote to the Secretary of State that feeling in India was most disturbed over the question of the Turkish peace terms, particularly with regard to the Holy Places and the future of Constantinople. In the same month my Government again cabled to the Secretary of State urging upon him the importance of another settlement of the Turkish peace terms, considering the effect upon the Muhammadan opinion in India.'

"At that date it will be seen that the Government of India," said Mr. Montagu, "were doing what Lord Curzon would call dictating to the Home Government." Mr. Montagu referred to a speech, of which he read considerable extracts, by the Prime Minister in the House of Commons on the 22nd February, 1920, in which he recalled the solemn National pledge given to the Muhammadans of India during the War in January, 1918. That pledge was :

"Nor are we fighting to destroy Austro-Hungary or to deprive Turkey of its capital or of the rich and renowned lands of Asia Minor and Thrace which are predominantly Turkish in race."

"But", said Mr. Montagu, "in view of the so-called pro-Greek policy of the Prime-Minister—his own peculiar and special policy adopted ever since the Greeks were invited to Smyrna, he (Mr. Montagu) did not remember on what Cabinet decision we were in danger unless it was remedied at the coming Conference of breaking irreparably our word to the Indian subjects who played so prominent a part in the defeat of Turkey."

"For heaven's sake," said Mr. Montagu, "let the British people know the facts and don't let them go hoodwinked and blindfolded under the leadership of the Prime-Minister." Mr. Montagu added that the publication of the view of the Indian Govt. could do no harm but could only do good, and said: "I am afraid I am unrepentant."

"If you want peace in India," said Mr. Montagu, "and good trade in India, you must have peace in the Near East. If you are to have peace in the Near East, there is one absolute essential, that you must keep your promises, and my hopes are high that in the coming weeks peace will be assured there, and that it will have repercussions throughout the world."

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# India in the House of Commons

*HOUSE OF COMMONS—27TH MARCH 1922*

In the House of Commons on March 27th, in the course of the debate on the Consolidated Fund (No. 2) Bill, during which was discussed the whole of the British policy at home and abroad, Col. Wedgwood spoke as follows on the subject of India :—

As one who, fortunately, has throughout taken the right line and has now been proved right—I have always said in this House that it was essential that Constantinople should be restored to Turkey and that Smyrna should be part of the Turkish Dominions, ever since the Debate began two and a half-year ago—I should naturally like to point out to the Government that, although they have finally, as I believe, in these Paris terms, come down on the right side of the fence, yet their hesitation which has been due very largely to their being incorrectly informed during the last two and a half years, has done more than anything else in foreign affairs to shake the credit of the British Empire, not only in the Middle East but in the whole of the Far East as well. It is very lamentable that only now, under a particular form of pressure which I for one am very sorry to see, has the Foreign Office finally adopted the just solution of the Middle East question. It must not be thought that I and my friends have been advocating the resolution of Constantinople to Turkey, or the restoration to Turkey of that part of Thrace and that part of Asia Minor which is occupied by the Ottoman Turks—it must not be supposed that we have been asking for that as the hon. and gallant member for Melton (Sir C. Yate,) has always asked for it, because it would soothe down the Moslems of India. Our object throughout in urging the settlement which I hope has now been arrived at has been that it is an eminently just settlement, and that our prestige and reputation depends, as an hon. Member has said already, not upon our Army, not upon our Air Force, but upon our traditional sense of justice even to the under-dog. If we had only done this two years ago, how much better would our reputation have been, how much better would our traditions be for the future.

I want to-day to say a word or two about the pressure that has been brought to bear from India to secure this solution at which the Noble Lord has arrived, and to which this country is, I hope, now committed. I have said that we on this side always wanted that solution, because we believe it to be the right solution. I



think it is very unfortunate that we have given the impression now to the whole world that we have only taken up the position of justice to Turkey in deference to the pressure brought to bear by Moslems of India. It is an example of feebleness which ought not to have been given. As a matter of fact—and I think that this ought to be said here in this House—people who have studied the question in India know perfectly well that you will not be able to soothe down Moslem opinion in India by giving way to the demands of the Khilafat agitation as regards the settlement of the Turkish question. The Khilafat agitation used the Turkish question, but it was not because of the Moslem unrest in India. The Moslem unrest in India will continue. They will find some other excuse, and they will merely despise the British “Raj” who has given way to them so obviously on the Turkish question—who has given way to pressure instead of accepting the just solution. We should not have conveyed this impression to the Moslems of India. I am certain that the founders of the Moslem agitation will not be mollified by your settlement of the Turkish question. Their attitude towards England remains now what it was before the Paris Conference. It is one of insistent hostility and you cannot soothe down that hostility by accepting the telegram from the Viceroy or the theories of the bureaucracy in India. For the last three years every Anglo-Indian official in India has been begging this Government to accept the Moslem demands—the Khilafat demands—on the Turkish question. They have hoped that thereby they would be able to placate the Moslems. Let me assure the House that they will not thereby be able to placate them. The Moslems of India are committed to something far more tremendous than the settlement of a country which shares their fate, but in which otherwise they have no direct interest. They are out for their ‘Swaraj.’ They are out, I am afraid, in the case of the Moslems, with very frank hostility to this country, to get rid of the English control over India. I do not think you have improved the situation by giving way to the pressure, accepting as gospel what has been stated in the Viceroy’s despatch and advocated by Sir W. Vincent and others of the permanent officials in India.

#### The Chance of Authority

The fact of the matter is that India is becoming day by day a more dangerous problem for this Empire, and while I am very glad to see the Noble Lord opposite in charge of Indian questions, I do not pretend that the change which has been made in the conduct of the India Office has made things any the easier in India or has thrown any more hopefulness into my attitude towards the Indian



difficulty. I am afraid those of us who love India, and justice for India, and the development of real democracy in India, must say that the late Secretary of State was of all the Members of this House far and away the best fitted to hold that post, and that the substitution for him of the Noble Lord in the other place, who knows nothing of India and whose past has been reactionary in this House—I do not know what it has been in the other House—is not likely to bode good for India or for the tradition and reputation of this country. We have put our hands to the plough in India. The Montagu-Chelmsford Reforms are not a step which can be withdrawn. We have got to go on on those lines. You are pledged by the August Declaration of 1917, honourably pledged to set India on the road to Freedom and to work for Dominion Home Rule in India, not at once, but by stages. That has been our declaration. Our honour is bound up in it. I see the "Times" pointing out that the Montagu-Chelmsford Reforms show signs of breaking down in practice, that the attitude of the Indian Legislature towards the Budget, towards the question of raising additional money for the Army in India, is an intransigent attitude taken up through hostility to the British Rule, and must make it more difficult to pursue the Montagu-Chelmsford reforms and may lead us to reconsider the whole question of those reforms. That alone is lamentable. It will be used on platform after platform, as an illustration of what they are always throwing in our teeth, namely, British bad faith. They will say—"Here you see again. There was a promise of the British Government and now a suggestion has already been made in unofficial quarters that the step should be reviewed, and the policy should be revised." That is not all. It is a matter of enormous pity that the very day that the Secretary of State, who loved India, resigned, there was notified in India the arrest of Mahatma Gandhi. Anybody who has closely studied the Indian question recently will know that the Government in India, Lord Reading's Government, was playing a very difficult game with extreme skill. For month after month they were urged by irresponsibles in this country to deal with the non-co-operation movement by force, to imprison the agitators, and to close down the agitation. Of course, you cannot close down an agitation by imprisonment. Lord Reading and his administration were dealing with the agitation on proper lines.

#### Character of Indian Agitation

The House should understand that the agitation in India is not an agitation solely against Western rule, but that it is an agitation against Western civilisation, and not merely against Western rule. Gandhi's agitation, if carried to its logical conclusion, means



the abolition of Calcutta, Bombay and Madras. It means the abolition of civilisation and the return to Tolstoyan institutions of the Middle ages. As that agitation proceeded, people in India who possessed a stake in the country became alarmed. As the agitation developed in one case by means of the Moplah rebellion, where the Moslem murdered the Hindu, and in the next case by the massacre of the police in the United Provinces, more and more of the moderates said: "It is all right to be anti-English, but this is a bit thick." They became naturally reconciled to the Government as the excesses of the Non-co-operation movement went on, and then, just as things were moving admirably, the disaster came. The Viceroy was forced—I will not say how he was forced—to do exactly what Gandhi was playing for, and imprisoned Gandhi. There is no lack of people in India who are prepared to go to gaol. You can fill every gaol in India five times over, voluntarily. That is what Gandhi did in South Africa. He filled the gaols in South Africa in order to break the Transvaal Government, but in South Africa the Indians were in a minority, and they did not succeed altogether. At any rate, they only succeeded partially. In India the Indians are in the majority, and if you once get it into the heads of people in India that the most patriotic thing that they can perform for their country is to go to gaol, you will fill all the gaols.

#### Failure of Impression

That is what is proceeding in India. The agitators have now been arrested, but the agitation goes on. There is no end to the repression, just as there is no end to the agitation. You have locked up Gandhi and given him six years' imprisonment. My friend Lajpat Rai and every one of my friends in India are in gaol. It is, unfortunately, becoming almost the right thing for an Indian to be in gaol. That is a horrible thing instead of, as there was a chance three months ago, working through the Montagu-Chelmsford reforms, and gradually getting the Indian people in favour of those reforms, and getting them out of the Non-co operation movement, into Co-operation and friendship with this country. The future there is black, and one does not know what is to be done. I urge upon the Under-Secretary of State that he should take every possible measure to alleviate the lot of the political leaders who are in prison. It is all very well to imagine that an Indian prison is like an English prison. It is not. An Indian prison is more nearly an approach to hell than any prison in this country. Anybody who has read the reports of the Andaman and other Indian gaols will not consider that going to prison for conscience sake in India is to be compared with going to prison for conscience sake in this country.



I do hope that the Michael Collinses of India are not being treated as felons, but are being treated as gentlemen. It may be necessary to put them in prison—I do not say anything about that—but let there be no indignity; let there be no unnecessary hardship. Let there be a deliberate distinction drawn for the first time in India between the political offenders and the ordinary common or garden felon. At present there is no distinction in regard to food, and there is no distinction in regard to quarters.

The attitude of the administration towards the political offender is almost, one might think, one of vengeance. That will not do. It will not do for this country and it will not do for our future relations with India. We have got to the imprisonment stage. These people have gone to prison, they have filled the gaols but the agitation goes on. The next step has already been advocated from the benches below the gangway, and that is to muzzle the Press. The Press Act is to be repealed. You are now having an agitation to prevent the repeal of the Press Act. The Press is becoming daily more important in India. Its circulation is going up, and, what is far more important, the Press is being read in the agricultural villages and is being used for agitation purposes among the cultivators and among the uneducated people in India as never before. Every stroke of policy which led you to lock up the agitators must drive you inevitably to proscribe the Press as well, and when you have proscribed the Press and when you have proscribed meetings, there comes the next stage far more damnable than anything that has been gone through in the past, and that is, the stage of secret organisation and assassination. You will get to that just as you have got to the other stages.

#### Potential Danger for Empire

What is the future of the British Empire to be if we are going through all these stages? It will be worse than the Irish terror, because when you get a race war it is much worse than war between two white races. When you get to that the end is the same. You may hold on for a few years, but the end is the same contemptible surrender to force what you would not surrender to justice. That is what I want to avoid. The Noble Lord the Under-Secretary of State for India is a Tory, but I think he agrees with me on nearly every subject of foreign and colonial affairs. I do put it to him that he might attempt to use all his influence with his Noble Friend the Secretary of State to get something done that shall not be mere repression. Something can be done, and I am quite certain that what ought to be done is to give the pledge of a time limit



for the granting of the next step in the reform scheme. The next scheme in the reform scheme is complete autonomy for the provinces and control over finance in the Legislative Assembly. They have control over finance in the Legislative Assembly now, not by law, but by practice. The best thing that can be done now is to insist on fresh elections both for the Legislature and for the Council.

#### Failure of Council Boycott

I believe that, if fresh elections were held now, the non-co-operation movement, so far as the Councils were concerned, would break down. You have now already in the Councils, and in the Legislatures, the beginning of a regular opposition. For the first time Indians are beginning to realise that acting through the Councils does not mean going into the Government, that it does not mean taking part in the governing machine, and that there is just as honourable service to be rendered in the opposition as in the position of a Right Hon. Secretary or Minister. If fresh elections could be held now, it would not be a repetition of 1920. You would get these people returned to the Councils, and taking part in those Councils as an opposition, and as part of a democratic machine. Our fight now is to grant direct democracy to India, and not to save for ever British administration in India. It is not good either giving any pledge for the future or having new elections now, unless at the same time the non-co-operators dropped their non-co-operation. What I would do would be, though Gandhi is in prison, to approach him, now that the Khilafat business is out of the way, with a view to putting an end to non-co operation, provided that he would be satisfied with a pledge as to when the next step will be taken to give complete Dominion Home Rule, coupled with an immediate opportunity of taking some part in the administration by having fresh elections to the Councils, and to the Assembly. Though it is a risk, though unfortunately things may be so far embittered that there is no chance of any settlement by agreement, that is the best chance we have got of avoiding that Irish terror, which is the alternative, as I see it, to an amicable settlement of this problem.

#### Two Future Essentials

Two things are necessary if we look forward to a British Commonwealth in the future, of which a free India shall form a part. First of all complete self-government, complete Dominion Home Rule. Second, for unfortunately Dominion Home Rule is not enough, that all citizens of the British Empire whether they be European or Indian, shall have equal rights throughout the British Commonwealth, because they will not stop inside the



British Empire, if Indians are not treated as equals in the Empire. That is the obvious test that every patriotic Indian would apply. "Is it worth while being in the British Commonwealth? If we go into Kenya and are not treated as equals, then as soon as we get Dominion Home Rule we will take the next step and declare an Indian Republic." The only chance of keeping them in is to show that there is no colour bar, and that there are advantages in being a British citizen just as in the old Roman Empire there were advantages in being a Roman citizen. That can be done still, but is being blocked at present. The whole future of the British Empire is being endangered at present by the ridiculous prepossessions of a small band of settlers in Kenya. I know that the Under-Secretary of State for India likes those settlers. I know them myself and I like them, but you cannot have all these risks, you cannot have the prospect of ruling for the British Empire weighed 'in the balance' against the prejudices of a handful of settlers. It is not good enough.

#### Kenya Question

Kenya is under our rule. It is a Crown Colony. The Legislature has a minority of elected members, and a majority of nominated members, so that the Colonial Office, which means this House, can still dictate the policy of the administration of Kenya. We pass the laws and unfortunately we have got to force through the equality of citizenship in Kenya which was recognised by the Conference of Premiers last year as being the Magna Charta of our Commonwealth, and is only being resisted at present by the Colonial Office and by the local administration in Kenya. If the Noble Lord is going to play the game for the Indians he must put up against the Colonial Office as good a fight as the Right Hon'ble Member for Cambridgeshire (Mr. Montagu) put up. It had become before he resigned a duel between the Right Hon'ble Gentleman and the Colonial Secretary, a duel in which the whole future of this Empire was at stake. This is a small point, but it is typical of the struggle that has got to be settled one way or another. The late Secretary of State for India was not going to accept defeat. His attitude in the last resort was that this question of Kenya must be decided by the Cabinet and that he could not submit to defeat from the Colonial Office without the Cabinet deciding the matter. If he had been out-voted in the Cabinet, undoubtedly he would have resigned, and I hope that the present Secretary of State and the Noble Lord will fight the same good fight. It does not much matter whether they are consistent with their past. What do matter far more are the traditions of our Empire and the future of the amicable relations between India and England.



**Earl Winterton**

In winding up the debate, Earl Winterton, the Under Secretary of State for India, made the following reply to the points raised in the debate :—

May I point out that both my noble friend the Secretary of State in another place and I in this House represent not merely a great department but the Government of India which as a result of the powers willingly, I think, accorded by the Parliament of this country, in performing the most important of any functions have admittedly been passing through a period of stress and strain as great as that which any Government in any country has ever faced. My Hon. and gallant Friend the Member for Newcastle under Tyne (Colonel Wedgwood) whom I thank for his particular references to myself, made a reference which I rather regret, to my noble Friend the Secretary of State for India. He said that the India Office was now in an important position ; and he then went on to speak of possible reactionary tendencies. I think it is most desirable that at the very outset of my speech I should clearly assure the House, which I have the greatest pleasure in doing—though I think it is hardly necessary—that the appointment of my Noble Friend the Secretary of State does not involve any change in the policy of the Government and that, as before, the Government and the Secretary of State will carry out in the spirit and the letter the policy laid down in the Government of India Act, 1919. Speaking for myself—not merely because I represent the Secretary of State in this House—I would call the attention of the House to the fact that I spoke and voted in favour of the Act of 1919 at every one of its stages through this House, and, so far as a private member could be, was identified with its policy by voice and vote.

**"Cannot give a pledge to agitators"**

A very interesting speech was made by the hon. and gallant Member as to the position of the Government in India, a speech with which in many parts I am not in great disagreement. He spoke of the arrest of Mr. Gandhi and other prominent people in India whom the Indian Government have thought it right to arrest, and he made a lengthy and theoretical statement on the duty of the Indian or any other Government when dealing with agitation. I think this matter may be best summed up by saying that the Government of India like every other Government at the present time and in the past, were obliged, in the exercise of their ordinary duties of authority and obligation both to India and to this country, to carry out the arrest of certain people. Every Government has



primary duties which it is bound to perform, and while it is regrettable that in carrying out these duties there is sometimes involved the arrest of people whom one would wish in happier circumstances had co-operated with the Government, rather than otherwise, it is the duty of any Government which feels it ought to take certain steps to take them. My hon. and gallant friend said he hoped that I would be able to say something as to the action of the Government in this and other matters. I can assure him that any Secretary of State standing at this box would say exactly what I am about to say, and that is that everyone connected with the Government of India, either in India itself or at the India Office in this country, is anxious, as I have already said, to see the spirit and the letter of the Act of 1919 carried out by mutual good-will on both sides and as little as possible of what my hon. and gallant Friend opposite called repression. He then went on to say that in his opinion the best way of dealing with these matters, as I understood him—and I listened very carefully—was that we should buy off the opposition to the Government of India by giving a pledge that if certain people would abstain from opposition, we would immediately advance another step on the road to self-government. I, of course, could give no such pledge without consultation with the Secretary of State, but I cannot avoid saying that the suggestion was the least useful that could be made in the circumstances, that self-government of any country could be carried out by giving a pledge to agitation of that kind.

Colonel Wedgewood: In order to bring the agitation to an end.

Earl Winterton: That is exactly the same thing: "buy off the agitation." I recognize fully that my Hon. and gallant Friend is as anxious as any Member in the House to see the best done both for the interests of India and of the whole Empire. But I cannot think that the plan suggested is either a peaceful one or that any Government could possibly adopt it and continue to receive the support of a large section of opinion in this country.

#### Indians in Kenya

My Hon. and gallant Friend made reference to what is admittedly the very difficult question of the position of the native Indians in Kenya. I shall, of course, represent his views to the Secretary of State, but I can assure him that this question is engaging—and necessarily must engage—close attention. I do not think either the interests of India or of the Kenya Colony would be served by my making any statement on this matter at this stage. Quite obviously, it is a question which from the point of view of India, and of this country, and of the Indians in Colonies overseas other than Kenya, is most acutely felt, and which I hope sooner or later—I do



not myself say it is outside the bounds of possibility—sooner or later there may be an agreed solution. I speak unofficially. But looking at the question from several points of view, and from my own knowledge, there must be at some time or other an agreed solution. In order to arrive at that, certainly it is very necessary at this stage that matters should be conducted carefully, and nothing done to interfere with the attempt to arrive at a solution.

#### Discontented India

Before I turn to the speech of two Hon. Members representing Lancashire constituencies about cotton duties, I should just like to make one reference to the speech of the Noble Lord the Member for South Nottingham (Lord H. Cavendish-Bentinck.) I was sorry to hear some of it, and I make mention of this because it will get coupled in the Indian papers and go out as the views of members of this House. The Noble Lord, speaking with all the authority which appertains to a Member of this House, said that all the elements in India make for a discontented people and very few for a contented people. I can only say that I am very sorry that an Englishman with the advantages of an education and general knowledge possessed by the Noble Lord should have so described the work of thousands of his fellow countrymen, and so signally failed to realise that the work of the civil servant is not only a monument of national unselfishness, but a monument of national efficiency.

Lord H. Cavendish Bentinck: Did I ever say it was not? I said that there were many elements of discontent in India and many causes for discontent.

Earl Winterton: The Noble Lord said that there were all the elements which made for discontent and few for contentment. Speaking as he does, with the authority of a Member of this House, and with the position he fills, I say that his statement is not one which should be allowed to go without contradiction.

#### Cotton Duties.

I now turn to the speech made by the Hon. Member for Royton (Mr. Sugdan). Those who have spoken in this Debate for Lancashire have put this case for the abolition of the cotton duty with great moderation and force, although I must say I do not agree with all their arguments. The Hon. Member for Royton began his speech by regretting that there had been in the past accusations of selfishness in the matter against Lancashire Members, and they had been told that all they cared for was the interests of Lancashire. All I wish to say is that such an accusation has never been made by me, and, so far as I know, I do not think they have been made.



the late Secretary for India, or by my Noble Friend in another place. I know that the late Secretary for India had not made any such accusations, because I read recently the reply which he made to the deputation of which my Hon. and gallant Friend was a Member about a year ago. Then my Hon. friend went on to use an argument which I might describe as a sub-argument, because it was not his main contention, and pointed out that India was able to obtain money in this country more cheaply than many of the English counties or boroughs. That is quite true, but he should have explained that that money is subscribed by public loan in this country, and if the people here subscribed so readily to those loans I think that is a tribute to the financial soundness of India. It is not a very sound argument to say that because India is able to raise money more cheaply here than some English boroughs or counties, that that involves an obligation on India to make certain alterations in her tariffs. I think the Hon. and gallant Member is stretching his example on financial soundness a long way in order to apply to his argument. I am sorry that the Hon. Member for Rossendale, (Mr. Waddington) is not present, because, I observe that he has been addressing some arguments to his constituents, on the subject of these duties, and he said very little about the duties themselves. Instead of that, I observed suggestions as to how the poor, illiterate, ignorant natives of India might be led into better paths.

Mr. Sugden : I pleaded that they should be educated to give us that Imperial preference which I believe they will in regard to tax.

Earl Winterton : Surely my description was accurate that they should be led into better paths. I notice that the Hon. Member opposite was somewhat restless when this reference was made in relation to a cause which he has always so valiantly championed in this House, but I would remind the House of the argument that was used by the Hon. Member for Rossendale the other day. Addressing his constituents, he said that the Government had power they possessed under the rules arising out of Section 33 which refers to transferred subjects, and not to central subjects at all.

#### Lancashire and Indian Fiscal Commission.

Let me now come back to the speech of the Hon. Member for Royton opposite. His accusation is that the Government of India ought to have raised this money by other means than by suggesting an increase in the cotton duties. I can answer that point very shortly. In the first place he said that their taxation is protective. It is perfectly true, and we do not deny the fact that the taxation proposed is protective but I wish to point out that it has not been



settled yet, and there is a fiscal Commission sitting at the present time inquiring into this subject.

Mr. Sugden : Is it not a fact that we have no representation on that fiscal inquiry, and is it not also a fact that the two practical Lancashire men, who could have been sent over, will not get any representation, and there will only be Indian representation ?

Earl Winterton :—That is most emphatically not the case, but there is no more reason why the particular interest of this country should have representation in regard to this matter than there would be for India to have representation on a Royal Commission appointed to deal with factories in Lancashire. Of course, Lancashire interest have every representation on that Commission. This is a very important matter, and if my Hon. and gallant Friend can point out to me that there has been any difficulty put in the way of the representatives of the Manchester cotton industry stating their case—if he can show me that anything has been done to prevent their giving evidence before that Commission—I will represent the matter to my Noble Friend who, I am sure, will at once telegraph to India, and have it put right. I must say my information is altogether different from that of my hon. Friend. Every opportunity, I am told, was offered to the two representatives to give their evidence and I understand they have decided not to do so.

Mr. Sugden : I and my co-secretary of the Lancashire Committee made representation to the then Secretary of State for India asking for facilities for a deputation of employers and employed to go out to India to give evidence before the Commission. We were not granted those facilities ; neither did we get any definite suggestion as to how we could present our case. We had a direct indication, however, that no official facilities would be offered in respect of that deputation.

Earl Winterton : My information is that an opportunity was given—and it was stated in black and white—to the great cotton industry of Lancashire to give evidence before that Commission, but for some reason with which I am not acquainted it has not been taken advantage of. For my part, I will discuss the matter with the Secretary of State. I am sure he will do all in his power to see that facilities are given. But this is a Commission set up by the Government of India. It must be realised that it is an Indian Commission, and not a Commission set up by the Government of this country, and it has to consider the matter specially from the Indian point of view.

#### **No Other Source to Tap**

I now come to deal with the question whether or not we could have raised our revenue by other means than those adopted by the



Government of India in its recent Budget. No source of revenue in India has been unexplored during the last few years. The only possible main sources are first the land revenues and opium, and as to the latter, obviously we could not add to the duties. As to salt the Government of India did propose to increase the salt revenue, but it was rejected by the Legislature. The salt Tax in Eastern countries probably hits hardest the poorest people in those countries, and the taxation of salt is a form of taxation we ought to be careful not to increase too greatly. Then there is the Income-Tax and the Super-Tax. It was pointed out that these taxes are not so high in India as in this country, but can any one suggest, having in mind the varied circumstances of the two countries that the Income-tax and Super-tax in India should be on the same level as in this country? Then the Post and Telegraph Taxes have been considerably increased, and are as high already as we think they should be. The same may be said with regard to the railways, while as to the contributions by the Provincial Governments to the Central Government, they are fixed by Statute.

There remains that great source of taxation, Customs and Excise. The point is that there was a general increase proposed to operate on all goods sent from this country and it must be borne in mind that the manufactures of other goods might just as strongly object to these duties as the cotton manufactures. We have to look at the great cotton industry from the point of view that it is one of our main props of taxation and livelihood. But manufactures in other industries have to consider their own position, and their interests are as important to them as are the interests of the cotton industry to the cotton manufacturers. It is unfair to talk as if this was an increase only on cotton goods. It is a general increase. Now I must ask the House to give me every facility for dealing with a delicate constitutional point, and not to request me to say more than I am going to say as to the relationship between the Government of India and the Secretary of State and the Government in this country in the matter of taxation. I cannot do better than quote the Report of the Joint Committee which sat on the Government of India Bill under the chairmanship of Lord Islington. My Hon. and gallant Friend does not, I think, agree with the Report of that Committee, but other people do and the Report shows the great attention which was given by the members of the Committee to the problem. The Committee says:

"Nothing is more likely to endanger the good relations between India and Great Britain than a belief that India's fiscal policy is dictated from Whitehall in the interests of the trade of Great Britain. That such a belief exists at the moment there can be no



doubt. That there ought to be no room for it in the future is equally clear. India's position in the Imperial Conference opened the door to negotiations between India and the rest of the Empire, but negotiation without power to legislate is likely to remain ineffective. A satisfactory solution of the question can only be guaranteed by the grant of liberty to the Government of India to devise its own tariff arrangements which seem best fitted to India's needs as an integral portion of the British Empire. It cannot be guaranteed by statute without limiting the power of veto which rests in the Crown; and neither of these limitations finds a place in any of the Statutes in the British Empire. It can only therefore be assured by acknowledgment of a Convention."

These are the concluding words to which I wish to draw the special attention of the Hon'ble Members :

"In the opinion of the Committee, therefore, the Secretary of State should, as far as possible, avoid interference on this subject when the Government of India and its legislators are in agreement, and they think that this intervention, when it does take place, should be limited to safeguarding the international obligations of the Empire or any fiscal arrangements within the Empire to which His Majesty's Government is a party."

Obviously these fiscal arrangements mean general Imperial Preference. They have no reference to a particular fiscal view which is held in this country. I think that these conclusions are conclusions which may well be studied by every Member of this House, and I am sure the House will forgive me if I, not from any lack of desire, do not give any further information, especially as the matter of the relationship between the Government of India and the Secretary of State and the Government in this country in these matters of financial control will come up again on some future occasion. I should like to say, with regard to the whole question of the Indian Cotton Duties, that, while the two Hon'ble Gentlemen who have dealt with this subject to-night have done so in a most moderate fashion, and neither I nor any one connected with the Government of India has anything to complain of on that matter, the question has not always been so dealt with in this House or in the country, and there is no one who knows anything about India who does not agree that this is one of the most dangerous and difficult questions which can arise in the relationship of India with this country. While I assure the House on my own behalf and I think the Secretary of State would like me to give this assurance, that we will do everything in our power to endeavour to meet the views of Lancashire, I must point out that the Hon'ble Member (Mr. Sugden) was himself treading on dangerous ground—



If he and those with whom he is associated say some of the things—I do not think they will say them, although I did not like his reference to the poor, ignorant and illiterate people of India—if they say some of the things which have been said by their predecessors, they will do more than anything else to put back the cotton trade and injure the cause of the policy embodied in the Act of 1919. I think that the vast majority of this House would regard it as a great misfortune that any such injury should be done. I would further point out that this subject has been one of bitter controversy for 50 years. The Secretary of State, the India Office, and the Government of India realise, as I hope the Hon'ble Member for his part will realise, the stress and strain of the present period in India, and I hope we shall not be pressed to make, at untimely moments, further statements on this most difficult and intricate subject.

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*[Regarding the views of the two Lancashire Members referred to above, see the Lancashire Deputation to the Sec. of State given in the following pages.]*



# The Lancashire Deputation To The Secretary of State

LONDON—29TH MARCH 1922

After the installation of Lord Peel, a tory Peer, in the India office, in place of Mr. Montagu, the Lancashire M.P.'s taking advantage of the change of policy met to press their views upon the new Sec. of State once more.

Accordingly on March 29th. 1922 a deputation of Lancashire M. P.'s and others interested in the cotton trade waited on Earl Winterton, the Under-Secretary of State, at the India Office to make representations concerning the differentiation in taxation now enforced in India against foreign piece-goods. Earl Winterton received the deputation in the absence of Lord Peel.

Sir John Radles, in introducing the deputation said :—

Generally speaking, I think you will find that our attitude is one of a desire to help your Department and not to put difficulties in your way. We realise the importance of the new arrangements in India. We do not expect you to go back on what has been done, we cannot expect that you will declare that the policy of your predecessor is to be reversed. We are not looking for that kind of thing, but we do think that it is within the province of your Department, in view of all the circumstances of the case and the great importance to the industrial community which is represented here to-day to hold somewhat of a balance between conflicting interests. If, for instance, the Bombay cotton manufacturer puts undue pressure on the Government of India we look to you to rectify that undue pressure, and to see that there shall be a balance held as between Lancashire—If you like to call it so,—or between the United Kingdom and this great Empire which may be affected or deflected in its policies by the particular interests in India as distinguished from the interests of the whole Empire.

The Constitutional Position.

Mr. Waddington said :—

We represent all sections of opinion in Lancashire. The membership of this Committee is extended to the whole of the Lancashire members, whatever views they may hold on particular questions, and while we have never expressed, as a Committee,



any views on the subject of Imperial Preference, nor have we expressed any views on the subject of Free Trade, what we are united upon is the necessity, as far as practicable, of absolute free trade between this country and India. Upon that we are all united, whatever our fiscal theories may otherwise be. Sometimes it is put up against us by other members of the House of Commons that Lancashire acts rather selfishly in connection with cotton questions, but there is a double reason for that. One reason is because of the immense importance of the Lancashire trade, and the second reason is that probably within twenty miles of Manchester there are more people who have personal experience and knowledge of India and Indian affairs than all the rest of the United Kingdom put together; and having that close personal contact with India from commerce, from the erection of machinery and from the selling of goods there, it makes a closer relationship between that part of the United Kingdom and India than with any other part. So that we are naturally more interested than other people in whatever affects India. Now Mr. Montagu's policy under the Government of India Act, we consider, has exceeded really the terms of the Act and has thereby created a false position among certain people in the House of Commons and in the country, and an equally false position in India. I refer more particularly to the question of fiscal policy. Under the Act there is no suggestion of granting fiscal autonomy. It seems to have been settled upon the Report of the Joint Committee which considered the Government of India Bill, and we suggest that the opinion of that Joint Committee is really contrary to the preamble of the Act and to the general intention of the Act itself. You spoke in the House of Commons on Monday night, and I was interested to notice that in giving a quotation from the Report of the Joint Committee you gave the whole of the paragraph with the exception of one sentence. You quoted the Report of the Joint Committee down to the word "convention", and then you went on to say:—"These are the concluding words to which I wish to draw the special attention of hon members." It was instructive to me to see what the words were that you had omitted, and they were these: "Whatever be the right fiscal policy for India, for the needs of her consumers as well as for her manufacturers, it is quite clear that she should have the same liberty to consider her interests as Great Britain, Australia, New Zealand, Canada and South Africa." I am not sure whether those words were omitted intentionally.

Lord Winterton: Oh no.

Mr. Waddington: I was hoping they were, because we



have always held that to be one of the weak spots in that Committee's Report. The very fact that a Committee should suggest that the Government of India Act was conferring upon India the same powers as had been granted to the other self-governing Dominions was to suggest something which was totally contrary to fact, and made the Report of the Committee, so far as that particular paragraph is concerned, quite useless, and quite hopeless from an administrative point of view. What is actually the position in India and in the other self-governing Dominions? Under the Government of India Act the Budget has to be introduced by the Governor-General. The Legislative Assembly, or the Legislative Council, have no voice in introducing the Budget. They have simply to vote certain proposals, and the Governor-General can veto those proposals which they either carry or do not carry. Now what is the position in the other self-governing Dominions which this Select Committee say are equivalent to India? In all the other self-governing Dominions we have the party system. The candidates go to the country; they put forward their policy and one or other of the parties is elected. They form the Government, they administer, and they legislate. But in India those who are elected have no powers either of administration or legislation otherwise than on the sufferance they receive from the Governor-General. We say that to suggest that the principle of self-government guaranteed to India is equal to the self-government guaranteed to the other self-governing Dominions is really playing with terms. With regard to the question of whether we have granted fiscal autonomy and self-government to India, I should like to quote from Mr. Montagu's abridged version of the Montagu-Chelmsford proposals which was issued by the India Office in 1918. This is what he says on Page 10: "The development of legislative bodies in India has led to occasional attempts to impugn the supremacy of Parliament; but on various occasions when the question was raised by individual members of the Government of India or local Governments, or by the Government of India as a whole, the Home Government asserted their rights both of legislative and administrative control in uncompromising terms." That is what the position was before the reforms. These are the proposals after the reforms: Mr. Montagu says:—"It is not part of the writers' plan"—that is of Lord Chelmsford and himself—"to make the official Governments in India less amenable to Parliament than hitherto." Then he goes on to say: "On large matters of policy there can, of course, be no such delegation." We suggest that fiscal policy is a very large matter of policy and that it involves so many interests, both



for the welfare of India and of the rest of the Empire, that there cannot and ought not to be, with the limited self-government which has been extended to India, any real fiscal autonomy in India. The preamble of the Act has been referred to ; we know that it is to take India by measured steps on the road to self-government. With regard to the rules which were made under Section 33, as you know, there are two sets of rules. The first set, if they are made, deal with the central subjects and the next set deal with the transferred subjects. Now, under the transferred subjects certain rules have been made and whilst those subjects have been deliberately transferred to the Governments in India yet we have by those rules established the right of Parliament to interfere when matters involving any dispute between this country or any other part of the Empire and India are at stake. If we have made those rules in connection with the transferred subjects giving the positive right of this Government to interfere, how much more power have we to interfere in the central subjects about which we have not made the rules ? In order to show the importance that Parliament attached to these two sets of rules and how it intended to keep its grip over central subjects whilst it parted with some of its responsibilities over the transferred subjects, I should like to say that the first set of rules over central subjects have to be presented in draft to the House of Commons. They have not to be issued as Orders and laid on the table in the usual way but they have to be presented in draft. The other set of rules for the transferred subjects can be made and they are only presented as a matter of form in the House of Commons, so that the House of Commons when it passed this measure did really intend to maintain a strict hold upon those central subjects which concern the Central Government and this country.

The question also of what was intended, whether we did give self-government to India, can be dealt with by a short extract from the King-Emperor's Proclamation after the Act had been passed. In the Proclamation the King declared : " The control of her domestic concerns is a burden which India may legitimately aspire to take upon her own shoulders. The burden is too heavy to be borne in full until time and experience have brought the necessary strength, but opportunity will now be given for experience to grow and for responsibility to increase with the capacity for its fulfilment". Now I suggest Lord Winterton, that that declaration of the King-Emperor means that we did not give self-government to India, fiscal autonomy and the severance of the right of this country to take any part in her affairs. We did not, and never intended to give that. And we have gone wrong as a Parliament



by yielding too much of our judgment to the judgment of the Select Committee. Now with a change in office we hope there may be a reconsideration of these problems and we hope that we may get back to the actual terms of the Act, to the actual intentions of Parliament relying upon the Act of Parliament and disabusing our minds of the opinion of the joint Select Committee. Now Indians themselves do not consider that they have fiscal autonomy. I have here a quotation by a very prominent Indian, Sir Vithaldas Thackersey, an important and active member of the Legislative Assembly. Sir Vithaldas Thackersey in the course of his examination by the members of the Fiscal Commission "declared that at present India enjoyed fiscal autonomy only on sufferance and asked that they should have complete self-government in this direction meaning thereby that the Indian Legislatures should have the final word on all fiscal questions including Imperial preference." Another member Rao Sahab Sahasrabudhe who is a member of the Advisory Board of Industries, said: "He was humbly of opinion, with due respect to the higher authorities, that fiscal freedom should be granted to India to commemorate H. R. H. the Prince of Wales' visit."

We have been told that the whole of India considered that she had not got this right to fiscal autonomy and fiscal freedom. It has been impressed upon us that we had no right to interfere, that we were jeopardising the position of the freedom of India and this country, and the good relationship between them if we interfered. But here we have evidence within the last six weeks of two important Indians holding public positions who declare that they have not got fiscal autonomy in India and who are asking that fiscal freedom should be granted. The electorate of India has been referred to so frequently—the small electorate and the small proportion who vote—that I will not labour that point at the moment, but I would like to refer for a moment to a point in the East India (Progress and Condition) 1920 Report. On page 66 a description is given of the electorate of India and the manner in which that electorate had to record their votes at the last election. This is what is said in that report, which is an official report, issued by the Government of India, "Ingenious machinery was devised for enabling illiterate voters to record their votes. In the case of Bombay, for example, it was decided to adopt the coloured box or symbol system. There was a separate box at each polling station to which was allotted the colour or the symbol given to a particular candidate. Where the number of candidates was five or fewer, the boxes were coloured white, black, yellow, red and green. Where the number of candidates was greater than 5, to each was assigned a symbol such as a horse, cart or sword, or some other



universally recognisable article, for it was found that country voters could not be trusted to recognise with certainty more than the five colours above mentioned”.

Now the point I would make here is that where you have an electorate limited to only 900,000, and where you have electors of a class who have to vote according to a symbol such as a horse, a cart, or a sword, it is quite out of the question to suggest that self-government exists in such a part of the Empire as you have in the rest of the self-governing Dominions.

While we disagree with the theory that we have granted absolute self-government to India, we have no desire to assert that the Montagu-Chelmsford Reforms should be scrapped. All we desire is that they should be carried out in a way which would be best for this country and for India. They should be carried out in a spirit of co-operation. We believe that it is necessary for India to co-operate with this country. We believe that the best advantages will be obtained by using this country's wide experience, its capital, its skilled labour and its facilities for the development and the improvement of India. It is rather on those lines that we would like to go—by India recognising that she is not so independent, and by our recognising that we have ceased to hold the dictatorial and autocratic policy of previous years when the Government was entirely in the hands of the Secretary of State. We do now want to go with them and to follow them on the road to self-government, to act with them and to build them up, because by building them up we shall be building ourselves up. It may be selfish or otherwise, but if we can give a benefit there is no reason why we should not also obtain some part of the benefit for ourselves.

So far as the policy of the development of India by those protective duties being necessary is concerned, I suggest that India is so developed now that, even assuming that she had the power to protect herself, she does not need protection, and those assumptions are borne out by fact. If you take out the figures from the “Statistical Abstract of British India” for 1920 you will find that there were in 1909 74,757 looms in India. In 1918, without any protection in India, with the countervailing duty which was equal to the import duty, the looms in India had increased from 74,000 to 1,08,000 an increase of 48 per cent. India was able to extend her domestic industry so far as her capital and her labour was available, and no country could protect itself to any possible extent beyond those two things. It is suggested by witnesses before the Fiscal Commission that protection is not necessary. Mr. Mehta, Director of Industries, Cawnpore, in giving evidence before the Fiscal Com-



mission sometime in December said that he considered that cotton mills in India had arrived at a stage of full development and did not require protection.

Then, as one of the dangers of this system of protection being given to India, we should recognise the possibility that the Provincial Legislature will, from their diversity of interest with Bombay in course of time come to demand protection against Bombay and the splitting up of India into fiscal autonomous areas within India itself. We have that suggested by Mr. Calvert, the Registrar of Co-operative Societies in the Punjab, who, in giving evidence before the Fiscal Commission, said: "It seems to him what might be advantageous to Bengal and Bombay might be detrimental to the Punjab. If the Punjab was ever to have cloth mills it would be more important for it to secure protection against Bombay than against Lancashire."

Surely it cannot be to the interests of India that it should be possible that an agitation should arise in India to secure that extra walls are to be set up within India? If you are going to have protection for the province of Bombay you may equally have the Punjab and the other provinces asking that they shall be protected against Bombay in order that they may cultivate their own areas. We must not lose sight of the fact that when we speak of these Legislative Councils in India we are dealing not with small bodies of one million or two million men, but we are dealing with bodies that have the rule and the control over twenty million and thirty million of people, and as they get educated and more alive to the responsibilities of their position they will begin to ask for these powers which are now being controlled largely by the influence of the Bombay people.

Now I want to say a word about the methods of the Indian people so far as cotton goods are concerned. It was declared by Mr. Wadia who is a well-known Indian cotton manufacturer, and who is also well-known for his views on currency, when he spoke here in this very room, I imagine, at a Deputation when Lord Morley was Secretary of State for India in July 1910: "The Indian consumer, as a rule, lays aside a certain amount of money for clothing during the year and whatever the price, he can only buy the amount of cotton cloth to the extent of the sum laid aside for the purpose." We are suggesting that to make cotton cloth dearer by the imposition of this duty is to make it extremely difficult for the masses of Indian people to purchase the necessary amount of cotton cloth which they require. The conditions of life which operated then are, I understand, still operative, and a certain



amount of money is still allotted to the purchase of clothing. Now what happens under present conditions? This same gentleman in giving evidence before the Fiscal Commission, of February 24, made this statement: "The witness contended that millions in India were to-day in a state of semi-starvation and semi-nudity due to the economic and currency policy of the Government. He did not think that the raising of the import and excise duties on cloth would make the position of poor people much worse." I am sure that we cannot sympathise with an attitude of that sort; we cannot agree with a policy which is going to affect millions of people in a state of semi-nudity and semi starvation through the imposition of these duties.

#### Practical Suggestions.

Now what practical suggestions can we make to you? It has been suggested that if the duty of 11 per cent. on customs was reduced to 6 per cent., and the excise duty was increased from three and half per cent. to 6 per cent., you would then get as much revenue as you are getting from the 11 per cent. and from the three and half per cent. You would by that means reduce the price of cotton goods in India by 5 per cent., enabling more goods to be produced both in this country and in India, producing greater employment in both countries, and the masses of the people being able to have more clothing. Also, it is a fair criticism that the Government of India are not administering India in the best interests of the people, judged solely by its Budgets. I look at the particulars as given by Mr. Montagu on last year's Budget, and I notice the revenue from intoxicants. I desire to say in this connection that I am not using these figures as any teetotal argument, because the Lancashire members are not all teetotalers. I assure you that I am not a teetotaler myself. I just mention it because whatever may be our views on temperance or otherwise, we do like to have some relationship between the articles on which taxes are imposed. Now in India the imposition of taxation on intoxicants amounted to 27,000,000 rupees. On cotton manufactures, that is, imported cotton goods only, not including excise, the taxation was 59,500,000 rupees. I think there is reasonable room for suggesting to the Government of India that they have a means, by looking at the duties upon wines, spirits and beer, of obtaining revenue which would at least be as easily paid as in the other case, and if they reduce it in the case of cotton goods they would certainly make it easier for those cotton goods to be bought by the masses of the people.

I only desire to say in conclusion that what we Lancashire people wish is that there should be close co-operation between this



Government and India, that this country should by all means in its power assist India by helping in its irrigation works and by the extension of railways, that we should assist her to increase her material wealth, and by the increase which we can bring about in that way we shall certainly do more to contribute to the welfare of India and the welfare of Lancashire than by means of these tariffs which cause so much loss to both countries.

Mr. T. Shaw (M. P. for Preston) said :—It is not my intention to make a long speech. The organised cotton workers in Lancashire at any rate have no doubt at all about their standpoint on this question. Conference after conference and congress after congress has occupied itself with the question and some of us have an experience of it dating back 30 or 35 years. I do not think the Government will try to shelter itself behind the Act of the ex-Secretary of State for India because the imposition of these duties took place prior to that Act being passed. Over and over again Lancashire, both so far as the employers and employed were concerned, approached various Indian secretaries when proposals for these taxes were being made and on every occasion, after hearing the statement of the case, the Indian Secretary admitted that the tax without a countervailing excise was wrong in principle. We were faced by Mr. Chamberlain when he was Secretary of State with a *fait accompli*, although there was a distinct understanding that on this question, at any rate, Lancashire should be heard before final decisions were taken. It is useless for the Government to try to shelter itself behind the passing of the Act by Mr. Montagu. I draw attention to these facts because when I said that there was no doubt about the position of the organised workers in Lancashire we formed that opinion not on the Act of Mr. Montagu at all but on what had gone before. The action of to-day is what would have been the action of yesterday if we had not been powerful enough in argument to convince Indian Secretaries that the thing was wrong. We are told that this tax is necessitated by Indian public opinion. Our reply is that we do not believe a word of it. We believe that the vast mass of the people in India, under normal circumstances require their cotton goods as cheaply as they can get them. They are probably the poorest civilised people in the world needing the cheapest of goods, and we do not believe that the vast majority of Indian people demand these taxes in the way they are imposed. That is a plain statement of fact as we see it. We do not believe the argument that the vast majority of the Indian people have any interest at all in a protective duty against Lancashire cotton goods because we believe in normal times they want their goods as cheaply as possible.



We say what reason was there for imposing a protective duty? Was it because India needed a protective duty to build up her industry? Why, at the very time we were confronted with the *fait accompli*—I am speaking from memory—I think the average profits of Indian cotton firms were 90 per cent. So that it cannot be argued that India needs this protection because without it she cannot make her industry pay. That I think has been proved to be wrong over and over again. The India Office is in possession of sufficient figures on that point without it being necessary for me to attempt to use any at all. Now, what the Lancashire workers say is this plainly and simply: "We do not want any preference over India; all we want is equality. If 10 per cent is put on our goods then we claim that 10 per cent should be put on the goods produced in India." We claim that Indian industry in cotton is profitable enough without having an added protective duty. We also claim—and the figures are in the possession of the India Office—that the method of imposing the tax is such as to impose a very considerable burden on a finished piece of Lancashire cloth that enters India, and it is very much open to doubt as to whether the protective duty in actual fact does not amount to much more than the difference in the percentage. I want again to emphasise the fact that so far as the Lancashire workers are concerned they ask for no preference for anybody. All they ask for is fair play and to be placed on the same basis as everybody else, Indian manufacturers included.

We ask ourselves, what has Lancashire done to have become the Cinderella of the trades? All through the war without a complaint, without a murmur, we suffered: we were the only big trade in the country which did suffer. We did make representations, but we never murmured and we never complained, although our industry was stopped to a very considerable extent all through the war. We did not ask for protection for the workers in our trades. The large standard trades sent every man of military age who was fit into the Army without a murmur or a complaint. We bore the burden of our unemployment during the war and arranged in the trade itself to carry that burden, not asking the Government to intervene to any material extent at all. As a matter of fact we not only suffered during the war without complaint; we not only gave all the men in our principal industry to the Army and Navy without complaint, but we managed the unemployment without asking the State to put a big staff at our disposal. We were and are now the Cinderella of the trades, and when we come along to the India Office when these



taxes are placed upon us and you say that the Act prevents you from interfering, we reply that at any rate you can make friendly representations that these things are unjust. We have never had yet the slightest announcement that any representation of a friendly character has ever been made to India at all. Now that is the position of affairs we find ourselves in. Let me repeat again the position that we hold and hold most strongly. It is that India, in its cotton industry, has no need for protection; that if cotton is the one thing that will balance the Budget by taxation, then a countervailing excise should meet the duty placed on cotton goods. We ask for no preference over anybody. All we ask is that we should be put on an equal basis with everybody else, and we think we have a claim from the record of our trade during the war and from the sacrifices that it has made since the war.

Sir William Barton: I would like to recall the fact that this is a very old agitation. Many of us have been in this room time and time again, year after year. Up to 1916 our efforts did succeed in repelling taxation in India which was not counter-  
vailed by an excise. I want to represent, if I may for a moment, what I believe to be the true Indian view. I quite recognise that there is scarcely a politician in India who is not a Protectionist. I have not met one—and I have met a great many—who does not strongly desire protective duties for India. But I have some personal experience of India and of the intense poverty of the people of the country. They live in a state of poverty unknown in this country at any time or under any conditions, and I have no reason to believe and I have never heard any observations that would lead me to think that the ryot in India knows anything about this taxation. If he did know about it, and if he knew what has been admitted so fully to-day by Mr. Waddington, that it must of necessity increase the price of his clothing, I feel sure that, so far from it being a popular tax, it would be an intensely unpopular tax. Up to 1916 we did manage to oppose this taxation. I agree with what Mr. Tom Shaw has said that I think Mr. Chamberlain did treat badly at that time. It was an old agitation. Government after Government had yielded to Lancashire representations. Surely when there was to be a change of policy the interests concerned should have been consulted. I admit that it was done during a time of war, and that there was an offer of a hundred millions from the Government of India to assist in the war, and that being so we reluctantly in the end agreed that we would say nothing more about it. Then, Lord Winterton, I want you very specially to bear in mind that we had a perfectly definite promise



at that time that before anything further was done all interests concerned would be taken into consultation. The next thing we were confronted with was a further increase of taxation without any consultation whatever. I understand the justification for that to have been the new Government of India Act. The last time we were in this room, Sir, the experts brought forward by Mr. Montagu did not plead that Act; what they did say was that it was purely a fiscal measure, that the money had to be found and that it was considered that this was the best way to find the money; so that they were in clear conflict with the promise which had been made to us. Reverting for a moment to the Government of India Act, it does appear to me that there is nothing on the face of that Act which reduces the power of the Secretary of State in Council to intervene in these matters. I am aware that the report of the Committee does indeed imply such a power, but are we to be guided by the report of a Committee or by the legislation on the Statute Book? There is a clear conflict of opinion on that matter. I have read the Act many times and it seems to me quite clear that we have practically the same power although perhaps in a different spirit,—more a power of co-operation but still a power—and that we are still joint trustees with the Government of India for the condition of India. With that power in your hand I think we can fairly ask you to take into consideration the whole problem both from the Lancashire side—or rather I should like to say from the British side—and the Indian side. We do not contemplate anything in the way of antagonism between London and Delhi; nothing of the kind. Indeed, Sir, I think I may tell you this that a Sub-Committee of the Lancashire Members met in Manchester some little time ago and we were confronted with the fact that there was an intention amongst the manufacturers to raise an extensive public agitation. They had established a Publicity Committee, and we as a body came unanimously to the conclusion that we would do all we could to stop it or at any rate to postpone it and the deputation to you to-day largely arises from that. We are most anxious that there should be no public ill-feeling because we feel sure that it would do nothing but harm. But we also feel sure that you can do something to help us in this matter and that the past record of your predecessors in itself justifies you in doing so. What I do want to ask you is this: Do you think that under the Government of India Act you are able to some extent to help us in this matter; are you willing to do so, are you seized with our case and do you realise that Lancashire still has the same right of intervention which she had in the past? We come here with that friendly appeal asking for your friendly help.



## An Impartial Observer &amp; a threat!

Sir Ryland Atkins:—I speak for the moment as one who has no personal connection with the cotton trade but whose duty and whose inclination it has been to watch what is the effect of this controversy upon the Lancashire public of all kinds. I feel it my duty to assure you that what my friend Sir William Barton has said is perfectly true, that we have used every influence to prevent public agitation and to make our constituents and our friends realise the difficult position of Government as between India and England. At the same time we are anxious to impress upon you that the feeling of Lancashire in this matter is far graver, is far more widespread, is far more intertwined with the life of the country than would appear to be the case when there has been so little conspicuous public agitation. It goes beyond political differences. It transcends them. It affects dozens of businesses whose actual and personal connection with the cotton trade is not as close and intimate as is the case with many others. I do not want to lay stress on what has happened in the past but impressions have been given by Government in difficulties that they would do things that they were unable to do. There is a widespread impression that under the guise and the appearance of self-government, our Government is being compelled to do what an oligarchy of Bombay cotton merchants and cotton manufacturers require and is not doing that which is necessary or really required by the mass of the people. I cannot put the case quite comprehensively by referring to the well-known passage in one of Sir Walter Scott's novels, with which Lord Winterton will be familiar, when King Richard Coeur de Lion was asked which was the more dangerous, Prince Kenelm of Scotland who was then under his influence or the Sultan Saladin, and the famous phrase was then used: "A wild cat in the chamber is more dangerous than a lion in the desert." Lancashire is close to help if it is not actually at the heart of the Empire, and we desire from you, My Lord, from Lord Peel, and from the Cabinet an expression of what we know to be your sense of statesmanship that real content at home is as vital, even more vital, than anything else for the preservation not only of Great Britain but of the Empire!

## The Under-Secretary's Reply

Earl Winterton:—No Government in power in this country could possibly under any circumstances afford to ignore representations made to it by such an important interest as that of the Lancashire cotton interest, even though it may not feel able to act upon those representations. I should like first of all to deal very



briefly with the constitutional point that has been raised. I will at once say that of course the ultimate financial responsibility under the Government of India Act rests with the Secretary of State, but I think it will be generally admitted that the Government of India must have wide latitude in deciding the steps to be taken in particular instances. I think no one would quarrel with that. I turn from that to deal, if I may do so, with the point of view of the deputation itself on this matter. If I were inclined to do so—but I want to avoid it if possible—I think I could put some of you in rather a dilemma. It is quite obvious that the universal teaching of history is that real self-government in the long run is based upon fiscal autonomy. That is obvious. I regard this deputation as a friendly deputation but if I wanted to put you in a dilemma I would say this to you: All your arguments are really arguments against ever granting fiscal autonomy to India; therefore they are arguments against advance along the path to self-government which has been referred to by the late Secretary of State and others. If you accept my argument, real, complete, self-government must always be based on fiscal autonomy. However, do not let us raise that point at this moment. I would only venture to say with all respect that sooner or later—when this question comes to be the subject of public controversy and public debate, not perhaps in this Parliament but in a future Parliament, when the advance is again made, which, I suppose, we all hope will be made as anticipated by Parliament—then Parliament will have to make up its mind when the question is most emphatically brought up of the cotton interest of Lancashire, with all its magnificent record of service and devotion to the Empire, on which leg it stands, whether it is prepared to say it will grant complete fiscal autonomy to India or not. I admit the question does not arise at the moment, but I think it is legitimate to refer to it at this point. Sir William Barton said that it is known to everyone who knows India that there is not a politician in India who is not a Protectionist, from which it follows that if a future Government—it may be a Labour Government or any other Government—gave complete fiscal autonomy, it would be assumed that it would be the wish of the people that they should have a protective system. So that while some of you may think it is dangerous ground for the India Office, it is also dangerous ground for the Lancashire cotton interest because sooner or later in the long run it will put you in a dilemma. I come now to a much easier part of the case from your point of view, and my point of view, in which you ask—and if you will allow me to say so, I think it is a perfectly fair request—that there should be the closest co-operation between the Government of this country and



India in these matters. I am sure you will agree that it would be wrong for me to make any statement on that subject in the absence of the Secretary of State, but I may say that I feel convinced in my own mind that the Secretary of State would agree most fully and freely to the suggestion that the closest co-operation should exist. The other matter that you dealt with was of somewhat the same kind. You asked that the views of your great industry might be represented very clearly to the Government of India, and that they might at all times be kept in close touch with your views, and particularly with your views, on particular instances that may arise. I think I can without committing any breach of rules of etiquette in the absence of the Secretary of State give a complete assurance on that subject. So far as my humble duties in the House of Commons are concerned, I consider it is one of the most important of them to keep in touch with the honourable gentlemen who form the deputation and constantly to hear their views, and, although I may not agree with them, to represent them to my chief, and to ask him, as I know he will do, to represent them to the Government of India. Having dealt with the question in principle, I now turn to one or two matters that have been raised with regard on the duties themselves. I should like to point out in the first place that as a result of the action taken in the Legislative Assembly both the Customs Duty and Excise Duty are in status quo, that they are in the same position as they were last year. Relatively you are no worse off than you were last year.

**Mr. Ben Tillit :** We were better off then. There is not much comfort in that statement of yours—is there ?

**Earl Winterton :** Except this, that if your arguments are correct, you would have been worse off had they passed the increased duties. That is my only reason for referring to it. As a matter of fact you are slightly better off because the rest of the tariff has been raised. I think it is fair that everyone should realise that the cotton duties will now be 4 per cent below the general tariff ; so that, taking the case of a gentleman not coming from the Lancashire district but from some other part of England who is an importer into India of other goods, he might say : “ I am worse off relatively than the Lancashire cotton interest.” That is the effect of what has happened in connection with the Budget, so that Mr. Shaw's point that the cotton trade has become the Cinderella of the trades does not apply so far as India is concerned, because cotton is 4 per cent better off than other trades. It is no part of my duty to speak as regards the attitude of the Government here towards the matter generally.



**Mr. Tom Shaw :** There is no comparison between the cotton and any other trade in India.

**Earl Winterton :** I was well aware of the predominance of the cotton trade ; I was not so ignorant as not to be aware of that, but still there are other imports into India from this country, and no doubt the persons who run those trade here are anxious to increase those imports; they wish to do trade.

**Mr. Greenwood :** May I ask the noble lord if he will deal for a moment with the point raised about splitting the difference between customs and excise?

**Earl Winterton :** I am afraid you will not regard this as satisfactory because I can make no sort of promise or statement as to alterations of the duty in the Budget next year: I can only make representations. I will put your representations before the Secretary of State. I should like before I sit down to make a suggestion. It is sometimes said that the Members of the Government (I am afraid it is true of some Ministers, I do not mean in this Government, but in Governments I have seen) are not always willing to have a discussion in the House of Commons, but I venture to say in this case that I think it would be very useful if these questions were raised in the House of Commons and we had a discussion. I would welcome and I believe my honourable friend would welcome an opportunity of having a further debate on the subject when it can be explained more in detail.



# The Indian Debate

HOUSE OF COMMONS—15TH JUNE 1922

The House of Commons went into Committee of Supply on 15th June 1922 when on the motion for the India Office vote a general debate on the Indian situation ensued. The following are important extracts from the debate.

*Motion made, and Question proposed,*

*"That a sum, not exceeding £75,000, be granted to His Majesty, to complete the sum necessary to defray the charge which will come in course of payment during the year ending on the 31st day of March, 1923, for a contribution towards the cost of the Department of His Majesty's Secretary of State for India in Council including a Grant in Aid."—(Note : £45,000 has been voted on account.)*

**The Under Secretary of State for India (Earl Winterton) :**

As the Committee is aware, this Vote is almost the only occasion within the Parliamentary year when the affairs of India, as a whole can be discussed in this House. The Debates which arise from time to time on Adjournment Motions, the Consolidated Fund Bill, and the like, are usually, from the nature of the case, of a desultory kind. Consequently, following precedent, I propose at the outset this afternoon in my capacity as representative in this House of my Noble Friend the Secretary of State for India, to give a review of the political, financial and general situation in India. I will endeavour to compress my remarks as much as possible, realising that the Committee is rightly intolerant of lengthy statements, and further, having at the back of my mind recollections of the dim and distant past of having made speeches from the benches in another quarter of the House protesting against the undue length of time occupied by prominent speakers on both sides. I admit that a subject which at one time in our Debates were considered dull in the extreme is to-day, I am afraid, of vivid, painful, and ever-present interests to the inhabitants of almost every country in the world with the possible exception of the principality of Monaco—I refer to taxation and finance. I am afraid that I shall have to ask the Committee to bear with me while I give a good number of figures in this connection.

India Government finance for the financial year which has just closed, *i.e.*, the year 1921-22, has come under the full blast of the world trade depression, and it is inevitable that India, which has always



been a large exporter of raw material, should feel the effects of such times as the world has been experiencing in a very special degree. Throughout the War years, really until the end of 1920, India enjoyed what is generally described as a favourable balance of trade in respect of her exports and imports of merchandise. In the year 1919-20, the favourable balance in respect of merchandise excluding treasure, was as high as 119 crores. In the year following 1920-21 the pendulum swung round violently, when the Indian trade statistics of net imports of merchandise amounted to 78 crores. In 1921-1922 there was, fortunately, some improvement as the adverse balance had been considerably reduced, and the figures for the year showing a net import of merchandise of 23 crores. Further, in that connection, it is satisfactory to note that in February and March of this year there was actually a net export of over 8 crores; and even, allowing for transactions in treasury of which India normally imports a great deal, the statistics for the three months, February to April last, in goods and treasure combined, exhibit a favourable balance to India amounting to three crores. These figures suggest that the corner has now been turned as all of us connected with India most devoutly hope that it has been and it is particularly satisfactory that the export figures for March and April last indicate an improvement over the position in the corresponding month of the year 1921. I would add in this connection that the reaction from the abnormal conditions prevailing during the War has been of serious financial concern to the Government of India as to any other Government of the world, that the position in India was complicated by the fact that this world reaction almost exactly coincided with the introduction of new political and financial machinery by the putting into operation of the 1919 Act.

#### Financial Situation

Indian finance has always been handled on conservative lines, and to the fact must be ascribed the high credit that the Government of India has for many years enjoyed in the markets of the world. In 1921-22 the Government of India had to face a financial problem aggravated by a heavy fall in the exchange, an unprecedented rise in prices, and large military expenditure necessitated by unsettled frontier conditions. They hoped, by means of careful economies and by the imposition of fresh taxation, amounting to 175 crores, to obtain in 1921-22 an equilibrium Budget. Unhappily, those hopes were not fulfilled, largely owing to the world trade slump and to heavy but absolutely necessary military charges. There was also in the same year a decline in the Estimate of Customs receipts amounting to over four crores and under the net receipts



from railways of thirteen crores, while losses under exchange in non-commercial Departments amounted to nearly six crores. The upshot was that a small budgeted surplus of 71 lakhs was converted into a deficit of 33 crores, the revenue for the year amounting to 109 crores while the revised estimate for expenditure came to 142 crores.

I will now deal very briefly with the situation in the present financial year. The estimates foreshadowed a deficit of 31 three-fourth crores on the existing basis of taxation, including an allowance for the yield of the taxes imposed in the preceding year. The proposals of the Government of India for new taxation which were laid before the Legislative Assembly last March, were designed to yield fresh revenue amounting to 29 crores. The new revenue is to be found under the following heads: Customs, salt, taxes on income, railways, postal telegraph, amounting together to 29 crores. Of proposals for new taxation, the Assembly rejected the increase of duty on salt, the increase from 3 three-fourth to 7 three-fourth per cent on cotton excise, and the increase on imported machinery. The total amount they thus cut out was 956 lakhs. The upshot of the discussions in the Assembly and Council of State was that additional taxation amounting to 19½ crores was accepted, because some fresh taxation was accepted.

The Committee will observe from what I have just said that the Government of India in the last two years have succeeded in carrying measures calculated to increase their revenue by no less than 37 crores, which represents 25 per cent of the budgeted expenditure for 1922-23. I think that fact shows that the Government of India are as alive to-day as ever to the imperative need of rehabilitating their financial position and that they are going to justify the confidence which their handing of Indian finance in the past has established. I make a special point of that fact, because I was challenged in previous debates by several hon'ble gentlemen who take an interest in Indian finance, to make some statement about the attitude which the Government of India were adopting towards this question.

Before I leave the subject of finance, I want to express the great satisfaction and delight of the Government of India and of my Noble friend the Sec. of State that Lord Incheape, whose public spirit has been so often demonstrated in recent years, and who was for some five years a member of the Viceroy's Council in India, has consented to go to India in the autumn to preside over a Retrenchment Committee, on which he will be assisted by eminent men of affairs who have a thorough, practical acquaintance with Indian conditions. I need not refer to the names of the Committee or to the terms of reference, because they have been already announced, except to observe that I



think they are such as to inspire confidence. The terms of reference follow closely those of the Geddes Committee. They are widely drawn, and it will be within the scope of the Committee to investigate expenditure on defence and all other issues that appear relevant to.

#### Railway Development.

I explained, when speaking on the Loans Bill some six weeks ago, the urgent need that there was for increased railway development in India, and it so happens that my speech to-day almost coincides with the issue of an Indian Loan under the powers recently granted by Parliament. The money for which we are asking will be entirely devoted to Indian railway purposes, and the Committee will be interested to know that in the Budget this year the Government include 30 crores for their railway capital programme. I believe that the expenditure of this money will abundantly repay itself, not only directly from the railways, but also indirectly by increasing the prosperity of the country which, in its turn, will enhance the Government revenue through Customs and in many other ways. Having regard to the great natural wealth of India and to the increased recognition of the scope for developing that wealth, I look forward to a renewal of Indian progress in all directions. Indian public men are fully alive to the possibilities of India's commercial expansion, and I am sure that the increased association of Indians with the Executive Government is bound to lead to developments that will add strength and security to Indian finance. I have only one other word to say on the question of finance, and that is to anticipate question that will no doubt be asked at a later stage in the Debate with regard to the action that the Government of India are likely to take with respect to this uncovered deficit to which I have referred. I think it would be premature to make any announcement at this time. It may well be that a revival of trade and an increasingly peaceful internal situation will materially improve the revenue prospects within the current year. But, whatever the situation may be, it will be faced in the future by the Government of India.

#### Khilafat Question.

There are two other questions to which I am going to make only a brief reference. One is the question of the Cotton Import Duty. I have already on previous occasions explained fully the attitude of the Government of India and that of my Noble Friend in this respect, and I shall be ready to reply to any criticisms that may be made during the course of the Debate. The other matter is that of military policy. I do not propose now to speak of it, but



I will of course reply to any questions, though I have no fresh announcement to make with regard to any change of policy. Let me now say a word or two about two questions, the importance of which no one connected with India can fail to realise. The first is the Khilafat question, and the second is the position of Indians overseas. With regard to the first of these questions everyone recognise, I hope and believe, the sympathy of Indian Moslems for Turkey as a great independent Moslem power under the Sultan. His Majesty's Government fully realise the position, and they desire to show all possible respect to these beliefs and feelings. It is no part of their policy, and it never has been in the past of the British Government—it has never been the policy of this Government, and it never will be—to pit one religion against another, and it is not for them a question of rival religions; their sole concern is to secure conditions which will as far as possible do justice to all parties.

*Indians Overseas.*

Scarcely less important is the question of the political rights to be accorded to Indians overseas. It excites the most intense interest in India, and, in claiming the full rights of Imperial citizenship, Indians of all shades of political opinion are united. I would go back for a moment to the situation at the time of the last Imperial Conference. While that Conference left undisturbed the principle that each Government should be left free to determine the composition of its own population, it embodied the new and most important principle that Indians lawfully domiciled in any part of the Empire should enjoy the rights of citizenship. The Resolution was not accepted by the representatives of South Africa, and it would be folly to ignore that acute difficulties still remain in that Dominion. We can only trust to time to provide a solution. But I would make an announcement to the Committee which, I think, has not yet been made public. I am not sure whether it has or has not. The Government of India have recently, with the full concurrence of my Noble Friend, entered into direct communication with the Union Government on this question, and it is hoped that now that each Government can frankly explain to the other its own embarrassments, some satisfactory solution of this difficulty will be reached. I might say that there have been several speeches in South Africa, and notably one by Mr. Patrick Duncan, which would lead all who take an interest in this question to believe that the Government of South Africa are at any rate alive to the difficulties of the situation.

As regards the other Dominions, I think that the outlook is brighter in Canada, Australia and New Zealand. The representatives of all those Dominions accepted the Imperial Conference



Resolution, and it only remains to provide means and methods of translating into practice a new principle. For that purpose Mr. Sastri is visiting Canada, Australia, and New Zealand on the invitation of the Dominion Governments and his task will be to inform public opinion and consult with the three Governments as to the best way of giving effect to the Resolution. I should like to say that as the adoption of the Resolution was largely due to the earnestness and eloquence of Mr. Sastri, it is, in my opinion, very satisfactory indeed that he should be conferring, or about to confer, with these Dominion Governments on this question. As regards the Crown Colonies and Dependencies, the position is somewhat different because, as the Committee is aware, the application of the Imperial Conference Resolution in that case lies with his Majesty's Government, and in some cases we are concerned not only with political but also with economic questions. Just recently two deputations from India have visited in the one case British Guiana, and in the other case Fiji, to examine whether those countries are suitable for Indian colonisation. The inquiries have been largely directed to such matters as the cost of living, rates of wages, and the terms on which land can be held. Neither of these two deputations has yet submitted its report, and it is not possible therefore, to anticipate their findings in any way. When they are received by the Government of India they will be referred to the Indian Legislature, and it will be for that Legislature to decide whether, and, if so, on what conditions, emigration can be allowed to those two Colonies.

There was recently passed into law in India an Emigration Bill which has to a great extent altered the situation and by it systematic emigration of unskilled labourers to all parts of the world will be controlled and prohibited unless such emigration is specifically permitted by notification. The notification, however, cannot be issued by the Government of India without the approval of the Indian Legislature which will be advised by a Standing Committee on Emigration. For this reason the reports submitted by these two deputations and any schemes put forward by other Colonial Governments will be closely examined in the light of the conditions under which Indians live in the countries in question. The Committee will see at once the importance of these new provisions to safeguard particularly the interests of the poorer class of Indian workers who go to other countries in the Empire.

As regards the question of Kenya and the position of Indians in that Colony the matter is still under the earnest consideration of the India Office and the Colonial Office. In these circumstances it is perhaps better not to comment on the unfortunate differences



which have arisen between the European and Indian settlers in that colony. The prospect of a solution, however, is very hopeful, and I trust and believe that a settlement satisfactory to Indian opinion, and indeed a settlement which will be satisfactory all round may be reached in the near future.

#### **The Indian Services.**

I come to perhaps what is one of the most difficult of all the questions with which those connected with India have to deal at the present time, and on which I know there is a great deal of no unnatural anxiety in this House—I refer to the position of the Services in India. The members of the Indian Civil Service have to contend with great difficulties with which my Noble Friend the Secretary of State for India fully sympathises. Prices have risen enormously in India, just as they have risen elsewhere, and the old amenities and attractions of life to British Civil Servants in India have largely disappeared owing to a variety of circumstances. In many cases these men find themselves worse off financially than they were 10 years ago and actually some of them find difficulty in meeting their obligations, and I am afraid in some cases in meeting the obligations they owe to their families apart from themselves. Unfortunately, it is the fact that the revisions of pay have not fulfilled expectations. The position in their respect is not peculiar. The Secretary of State in Council and the Government of India are limited by the resources at their disposal, and the Budget of the Government of India and other provincial Budget showing a deficit. Committees are sitting all over India to advise the Government where they should lop and prune their expenditure. In these circumstances I fear there can be no expectation of a great increase in Service charges at the present time, but signs are not wanting that economic conditions are beginning to improve and the Services, like the rest of the community, must reap their share of the benefits.

So much for the material side of this question. But there is an equally if not more important side to this question in India. I do not know that the material side is the real Service difficulty. You cannot expect good and contented service from men in any part of the world, whether under the Government or under a private individual who feel that their service is not wanted, and whose every-day task, hard and exacting as it is at the best, is carried out under a constant stream of vituperation, misrepresentation and active or passive hostility which some at any rate of the responsible leaders of opinion have done something to foster and little to check.

In that connection may I say that anyone who has lived in a tropical country, as I have done must realise that the conditions of



service are infinitely harder than in this country because you have a hostile climate that is fighting against you. This may not be so apparent during the short visit, and it is only when you live there for about two years through hot and cold weather as I have done that you realise what men are up against who have to spend their lives in that country, and when you superimpose upon all the conditions with which Indian civil servants are faced you have a state of things which very much affects the spirit and the health and the good work of those who are serving in that part of the world.

I make every allowance for Indian impatience over the question of Indianisation and for the lack of balance arising from the sudden acquisition of powers of effective criticism and considerable control. I make every allowance for the Indian disappointment at the synchronising of this acquisition with a financial stringency unparalleled in the experience of anyone living, and yet I am afraid that the fact remains that, whatever the future may have in store, no responsible Indian in his heart would deny that the need of the assistance of the All-India services was never greater than it is to-day, and the need will continue to be greater throughout and beyond the period of transition.

Race hatred will not and cannot hasten the advent of responsible government. If any condition could point to a certain delay and is capable of destroying the chances of Dominion status for India, that condition is race hatred. There is good enough reason, unfortunately, for the belief on the part of the Services that Indians including some whose position ought to guarantee that they would act reasonably want to get rid of them. I can only say in conclusion on this matter, with the greatest emphasis, that there is no reason whatever for the belief that the Government of India, or my Noble Friend the Secretary of State for India, want to get rid of them, or ever will get rid of them. I think it is of importance that that announcement should be made in view of the accusations which have been made in certain quarters.

Sir W. Joynson Hicks : How can you stop it ?

Earl Winterton : I was not referring to anyone in this House.

Sir W. Joynson Hicks : I merely asked, what are you going to do to prevent it ?

#### Retirement Scheme.

Earl Winterton : I shall come to that point later on. I wish to say a word or two now about the retirement scheme. I am betraying no secret when I say that the late Secretary of State for India agreed, with reluctance, to a general option to retire which was open for a limited period. The present Secretary of State for India has agreed, not without reluctance, to the removal of the limitation of



the period. On this point the exact terms of the announcement will be made by my Noble Friend in a few days in another place. In view of this, I ask that I should not be pressed for details now. It is a complete misapprehension to suppose that this offer represents a desire on the part of the Government of India or on the part of the Secretary of State to "thin out" British members of the Service. I think it is important to emphasise this because the original offer was made on the insistent demand of the Services themselves and of some Members of this House who had made themselves spokesmen in this matter. That is the history of this question.

The extension which I have just mentioned is not due to a desire for a more effective thinning out, but it is in the hope that the numbers who avail themselves of the offer will be smaller than if the time limit had been maintained. The number of applications for all Services up to date to retire is 97, and this includes 40 from the police and 30 from the Indian Civil Service. I admit that this is regrettably large, but I think there is ground for the hope that it will not greatly increase. Let me say one word further on this question of the Services in India. In my opinion, whether they be officials, non-officials or ex-officials who by speech or action do anything to help to increase the difficulties and help to prevent fresh British blood from coming forward to fill the gaps they are really not helping India or this country, but they are putting back the clock of progress. I think it is most desirable that I should make that announcement.

#### Internal Political Situation.

I now come to the last question I have to deal with, which in itself is divided into two sub-questions, that of the internal political situation and the agitation and unrest in the recent history of the policy under the Act. As the Committee is aware, after a long period of unrest, characterised by much sporadic lawlessness and by several more serious outbreaks of violence, Mr. Gandhi was arrested on the 10th March, and was promptly tried and convicted, having himself accepted the justice of his sentence. Since his arrest the country has become progressively quieter. The members of the Moplah rebellion have been stamped out, although a few outlaws still lurk in the jungles. At the end of March the dangerous Akali Sikh movement in the Punjab was dealt with. Commencing as a religious movement for the better management of the Sikh shrines, it had taken on a political complexion and threatened to develop into a system of armed and organised terrorism. These manifestations have been checked, and quiet has been restored in that province.



The Aika movement in the United Provinces—a parallel agrarian movement—which was also taking on a threatening aspect and which took the form of mobs of tenants and labourers assembling to overawe landowners and general manifestations of that kind has also been put down, while the genuine underlying grievances are being investigated by the local government. An excellent spring harvest was followed by an equally abundant one last autumn. Prices are falling and signs are not wanting of some alleviations of the extreme trade depression of the past year. All these things mean a returning contentment to the country and consequently some improvement at any rate in the tone of political controversy. Those who have adopted the extreme gospel of non-co-operation have in some cases been assailed by doubts as to the efficacy of their faith, and they are beginning to consider whether much of what they desire might not be accomplished by a proper use of the Constitution recently provided for them. I am inclined to think myself that that movement will increase and may headway. Before I sit down I propose to say a word about the use which has been made of it by Indian public men and Indian public opinion. I was challenged by the Right Hon'ble Member for the City of London (Sir F. Banbury) to say why Gandhi had not been arrested before. I suppose my Right Hon'ble Friend desired I should deal with this subject.

Sir F. Banbury : No, what I said was that it was a pity De Valera had not been arrested.

#### Gandhi's Arrest

Earl Winterton : I am glad to say that particular responsibility does not rest on my shoulders. My Noble Friend did not assume office until after the arrest of Gandhi, and if I am challenged as I have no doubt I shall be in the course of the Debate, I should like to say now quite frankly that I am not concerned with the expression of any opinion on the policy previously followed. It is understood that the view of the Government of India was that to have arrested Gandhi at the height of his triumphant career, when he was almost universally regarded as having more than human qualities, would have involved risks of grave disorder, without any certainty of stopping his propaganda. The Government of India preferred to wait until the barrenness of his political faith and its total failure to produce any constructive results had disillusioned his more intelligent supporters. Then his downfall was accepted by his followers with comparative coldness, while with the ignorant men who had been taught to repeat his name, and had been expecting the date of his promised Swaraj, and several times seen it pass, the bubble of his



supernatural attributes was summararily pricked. I neither criticise nor endorse this policy, but under existing circumstances, the Government of India are naturally in a position to say it has succeeded for the reasons I have just given. It is only fair to them to give those reasons and to point to the moral to be learned therefrom.

### The Reforms Act

With regard to the policy of administration in India, of course it would not be in order, on an Estimates discussion, to deal with the Government of India Act, but I am entitled to deal with the question of administration, and I wish to emphasise again this afternoon what I said soon after I became Under-Secretary, that there has been no change of policy as a result of the change of personnel at the India Office. Parliament recorded its declaration of policy in the preamble of the Act and the Government in general and the Secretary of State in particular are the servants of Parliament in this as in all other matters, and were bound to carry out, both in its spirit and in its letter, the Act which had been passed. I should like in that connection to deprecate equally strongly two opposite contentions which have been advanced, not so much in this House, although they have been made here inferentially, but more strongly in the Press outside. The first is that practical experience of 18 months' working of the new Constitution is sufficient to show that that Constitution needs amendment to remove restrictions. The second is that the same amount of experience shows that the Act has failed and ought to be scrapped. Both these contentions are absolutely fallacies. The only reasonable answer is to say that the charge has not been proved. It is idle to deny that the Indian Legislature has established for itself a legitimate place in the machinery of the British Empire, and if one has read, as I have very fully, the Debates that have taken place in it, he is bound to admit that they have been conducted with dignity and courtesy, and have reflected great credit upon the Assembly. I may say in that connection that many members and officers, both of the Indian and the Provincial Legislatures, take the keenest interest in the working and proceedings of this House, and are constantly coming here to meet members and officials. I have singled out in particular the Indian Legislature, not in derogation of the importance of the Provincial Legislature, but because the point of contact between the Central Legislature and the other Councils in the vast machinery of the Empire is necessarily much closer than it is in the case of the Provincial Councils. The Indian Legislature has been in existence only for three Sessions, and it is only now beginning to find the power it has. Every day of its existence is disclosing new poten-



tialities, and I think that that will continue to be the case. I am glad it should be so.

But it is reasonable to continue to say or even to have begun to assert that the best way to keep this great machine going is to take it to pieces so soon to see if it cannot be improved by putting in some new parts or leaving out some of the existing parts. It is absurd to suggest such a thing and I do not believe that if any other Government sat on this bench it would be prepared to advocate such a policy. Any Government would fail greatly in its duty if it did not allow the scheme to work out its own salvation in its own way. There is, however, one point in this connection which I should like to mention. However capable the Legislature, however capable individual Members of it may be, the capabilities of the electorate are still practically untried and unexplored, and the immediate urgent task before India's non-official legislators should be to form a live and independent electorate in India, because, after all, such an electorate is the basis of real responsible government in any country. In this country we all take the utmost pains to educate the electorate; sometimes they do us credit, at other times they do not. In the 1906 election I thought the electorate appeared to be extremely and deplorably ignorant. In the 1918 election I thought it seemed to be extremely well-instructed.

Mr. Acland : And it will be ignorant next time.

Earl Winterton : I am not so sure that next time it may not carry out fully the instruction we give it. At any rate we can do our best by supplying the electorate with the facts as we see them out of our own mouths or by means of our printing presses. Really, the situation is this, that the electorate in India as a whole has had very few opportunities of being instructed in policy. As a rule, it has only heard one side. It is not to be expected that the new machine with a new and different motive power behind it, is going to perform exactly the same evolutions as the old machine with the old motive power. We have in this country generations of sound, constitutional government behind us. In India they have the model of generations to follow and it would be wrong and unfair to expect them not to make experiments. I do not think it should be said they are not to be trusted, because they show signs of departing slightly from the pattern, but at any rate we ought to do everything in our power to assist them to lay the foundation of sound Indian Government, and we might well take the motto from the Book of Common Prayer, which tells us to take the mean between the two extremes of too much strictness in refusing and too much ease in giving. That is the attitude of mind which I think we should adopt to this problem.



## Indo-British Friendship

Finally, I come—no doubt to the relief of hon. Members—(Hon. Members: “No, No!”)—I shall have an opportunity of replying later—I come to my last words on this question, and I should like to say something on the very delicate subject of the relationship between Great Britain and India. I have been struck by the persistency with which the enemies of Great Britain throughout the world in every country and even, I am afraid, in the British Empire itself, cherish the belief that this country has lost faith in itself. That is an idea which is fostered to some extent by people at home who claim to be super-patriots, and by men who had no experience, either in the Great War or in the South African War which preceded it, of what is, after all, the real crucible in which patriotism has to be tested, namely war itself. It is these people who are helping these enemies of ours to foster this illusive dream that this country has lost faith in itself. I believe, on the contrary, exactly the opposite is the case. Thousands of British men and women who took part in the War realised for the first time the worth of their race, its courage, patience, resourcefulness and above all, its moral qualities. With this revelation went no foolish assertion of race superiority. On the contrary, we all realised the wealth of good qualities in other races of the Empire and especially so did those of us who had the inestimable advantage of fighting day after day and month after month side by side with the troops of other races of the Empire, and especially anyone who, like myself, fought alongside the Indian troops. We realised their good qualities, and consequently after the War there was an almost passionate desire to co-operate more fully with those other races than we had done before the War, while not abating by one jot our belief in our own race and our world position. This new conception of the relationship between the people of this country and the peoples of this great Peninsula of India will, I believe, succeed despite difficulties, despite all the efforts of malignancy and perversity to prevent it, and I believe that 10, 15 or 20 years hence people looking back will say that we in this Government, in the years immediately following the War, were right in our conception of the true relationship between Great Britain and India.

**Mr. Ben Spoor:** The Committee has listened to one of the most extraordinary speeches on the Indian situation that it has ever been the lot of Members of the House of Commons to hear. The Noble Lord made a speech which, viewed from any point of view, must be regarded as unusually depressing. I do not criticise so much what



he said, but I do criticise what he did not say. The incompleteness of his survey—because he really told us nothing at all about the real situation in India—the way in which his speech from beginning to end reflected an optimism which certainly is not justified by the facts, and the easy manner in which he skated over what are very real difficulties and immensely serious problems, were exceedingly depressing. He told us, first of all, that the financial situation in India gave cause for grave disquiet. He pointed out how it was impossible to get a Budget in which both ends would meet. And then he went on, quite airily, to tell us that he looked forward to the future with confidence as we got, and apparently we were getting increasingly peaceful in internal conditions: and that, as there was coming a revival of trade, all would be well in India in a very short time. In the whole speech there was not a single reference to the Indian point of view. The whole speech was the speech of a Britisher who viewed this problem purely through British eyes. There was no attempt made at all events in all that we have heard so far to meet what some of us regard as the legitimate demands of the Indian people. I submit that the speech really reflected no understanding sympathy with the Indian mind at all.

We were assured that there had been no change in policy since we had a change in the officials at the India Office, but I do submit that, if that speech represents the attitude of the India Office, there has been a considerable change in spirit. Gandhi and the whole non-co operation movement were swept on one side as though they hardly counted at all. Gandhi, we were told, is in prison. We were told that a few outlaws remained in the jungle. I remember that one year we called Michael Collins an outlaw and the next year called him a hero.

Col. Sir C. Yate : Never !

Mr. Spoor : There were representatives of the Government who used terms upon which that interpretation could be put.

#### Indian Military Situation.

I should like just to refer very briefly to one aspect of the military situation in India. I do not want to discuss it in any detail ; I will leave that to others who are more competent than I am to deal with it ; but I should like to ask the Noble Lord if he can give us some information regarding the tremendous increase in military expenditure. I believe that on British troops alone there has been an increase, since 1914, of about £7,000,000 per annum in expenditure. Compared with 1914, the Army in India in 1921 was, I believe, reduced in strength by about 6000. I understand, of course, that the increase in expenditure is in the main due to



improvement in the pay of officers and men, but at the same time it is a colossal amount, and, when one remembers that practically half the Indian revenue goes in military expenditure, one must realise that very real difficulties are bound to arise. While, however, there has been this decrease in the number of British troops in India, we are informed that there has been a rather extraordinary increase in the Headquarters Staff, and, consequently, in the maintenance of the 301 in 1914 to 444 last year. I do not know whether the Noble Lord will be able to justify that extraordinary increase, in face of the decrease as far as troops are concerned.

### The Political Situation

Coming back to the speech of the Noble Lord, I would say that the day for patronising India has gone. We have there a problem too grave to be faced in that manner, and I should like to discuss, perhaps a little more intimately than the Noble Lord has done, the political situation in that country. We are told to-day that India is becoming progressively more peaceful. We have been told that the non-co-operation movement has received a severe check. We have been told that Gandhi's influence is on the wane. We have been told also that the supremacy of British authority is being again vindicated. It would be difficult to imagine a more superficial view of what is, perhaps, the most vital issue facing British statesmanship at the present moment. For, what are the facts? At the present moment over 20,000 political prisoners are in goal. They include men of high character, men whose character has never been questioned. They include men of profound culture—of a culture, I submit, probably greatly in excess of that of the average Member of the House of Commons. Two or three years ago these men were not hostile to Britain, and so far as the British people, as distinguished from the Government are concerned, they are not hostile now. The crime of these 20,000 people is not that they are anti-British; it is simply that they are pro-Indian. Their aggressive assertion of independence, and their intense nationalism, have been stimulated by a long-continued series of blundering errors in British policy. We are familiar, of course, with the story of recent happenings in our relations with India—the story of a demand for freedom which was daily growing more insistent, and the partial meeting of that demand by the Reform Scheme of 1919; and here I may be allowed to make an observation regarding the work of the late Secretary of State. That gentleman has been driven from office, but his contribution towards the freeing of India will never be forgotten by the people of that country. The Act of 1919 apparently represented the utmost that could be extracted from the Government. While, in the opinion of



some of us, its inadequacy was bound to create difficulty, and indeed, did create difficulty, it was the first really effective step taken by any responsible British statesman towards the fulfilment of pledges both express and implied during the whole of the long years of our dominance in India.

Lovers of liberty, not only in the British Empire, but everywhere, will remain grateful to the right hon. Gentleman in that he did, at all events, succeed in opening a roadway which will never again be closed. But the reforms that he introduced have never had a real chance. Amritsar and the Turkish Peace Treaty created an atmosphere in which the full benefit of that scheme could never be realised. Resentment against what many of us regard as barbarous methods of Government, against vindictive schemes of boundary re-adjustment which violated what, after all, are very deep religious sentiments—these stirred up hatred, not, let me again emphasise, against the British people, but against their Government representatives. The weapon of non-co-operation was introduced and the British authorities were faced with a problem of unparalleled difficulty. Vast numbers of men and women refused even to take part in the first election. Passive resistance spread right through the country. I was in some districts in the Bombay Presidency a little over a year ago where not 3 per cent of the electorate would go to vote. It is extremely difficult for those of us who have been reared amid the purely materialistic philosophies of the West to understand even dimly, the reasoning of the Eastern mind. Longer mental perspectives than are possible in the rush and hurry of modern politics are required and temperamental sympathies which, in the main, are alien to us. So it is that this non-co-operation movement is very largely misunderstood by its Western critics, but we do not get over it by calling it fanatical. We certainly shall not suppress it by imprisoning a few thousands of its leaders. The prison has not yet been built that will enclose an idea, for the gun is not forged yet that can destroy a will, however it may manifest itself, that is really making for freedom. I know that some people imagine that it may be possible to raise a dam that will hold the current in check; but the higher you raise your dam the greater becomes the pressure that is behind it. The great danger is that some day the dam will burst, as certainly some day in India the gaol doors will have to be opened.

You are dealing in India with a terrific force, a force which is altogether incalculable and almost superhuman. The policy of blood and iron can no more bring peace in India than it brought peace in Ireland. It has never brought peace in any country in the world yet. You cannot defeat non-co-operation. Personally, I should



like to see it defeated, but not by the methods that are being employed by the Government of India backed by the British Government in this country. You can defeat non-co-operation by practising co-operation. When I say that, I mean the willing, ungrudging co-operation of British and Indian on absolutely equal terms in the maintenance of a common-wealth jointly enjoyed. The Noble Lord told us that certain political disabilities under which Indians suffer in some of our Colonies were likely to be removed. We hope that they will very speedily be removed. We hope that even our Colonial Office will be converted to the wisdom of treating Indians as British subjects are treated; for so long as a single Indian suffers from a disability either in India or in a British Colony, so long as a single Indian is denied a right that is enjoyed by his British fellow-citizens, so long will there be discord and danger and no chance of peace.

**Face the Real Issue.**

I do ask the Government really to make an attempt to face the real issue. Instead of trying to understand Gandhi we put him in gaol. Such policy and such approval, as it apparently has in this House in certain quarters, is a confession of hopeless incompetence. Gandhi, rightly understood, is far less an isolated leader than the incarnation of what is undoubtedly the popular will. Whether we agree with him or not does not concern my argument, but through Gandhi the hopes of millions of Indians are finding utterance. We may disagree with his ideas entirely, but it is a profound mistake to imagine that they are merely personal. The sole effect of his imprisonment is to stimulate feelings of bitterness which will ruin all possibility of a peaceful issue of this great struggle. The supremacy of British authority has been vindicated. Yes, and India is practically bankrupt. The Lancashire cotton trade is in peril. Indeed, the economic effects of this conflict are as bad as the political ones.

Unless there is a rapid change in the whole temper of the relations of Britain and India, India will be lost to Britain and Britain will be lost to India, and no one here can possibly imagine the magnitude of such a disaster as that. I am convinced that there is a very much graver risk of that happening than would be inferred from the speech to which we have just listened. I submit, further, that the practical solution of this difficulty is not so terribly hard after all. India simply wants to be master in her own house, and until she is master in her own house there will be no peace. For the last two or three weeks there have been appearing in a responsible British newspaper, "The Manchester Guardian," a series of articles from its correspondent in India. In an article that appear-



ed last Monday he recorded a conversation that he had with a wealthy Parsee merchant. This was a man who was not a non-co-operator at all. The article referred to interviews with Mahomedans, Hindoos and Parsees. I quote the opinion of this Parsee gentleman because he is quite apart and separate from the political side, or indeed any side, of the non-co-operative movement. The correspondent asked him certain questions. He asked, "Is the root cause of the present unrest this unsatisfied national aspiration, or the economic trouble?" This was the answer:

"The root cause is the unsatisfied nationalist aspiration. That is intensified by the very serious economic trouble. But we could face those economic troubles with much greater equanimity if we feel that our hands were free to take our own measure to meet the situation. As it is we have to leave matters in your hands, and, to speak quite frankly, we think you have made a thorough bad mess of our business. Let me make myself quite clear. If our economic trouble vanished, if the exchange steadied, trade revived, budgets balanced, food prices fell, monsoons were favourable and crops were good, then you would find us still just as determined as ever to be masters in our own house."

Then he was asked by the newspaper correspondent this question: "On the day when you are masters in your own house what will happen to our capital and our people in India?" In view of the alarm that I have heard expressed in many quarters regarding the position of Europeans in that country, this answer is interesting:

"They will be perfectly safe. To-day there is friction over the question of political supremacy. So long as that question is unsettled bad blood may be engendered at any moment, and the lives of your people may be endangered. You therefore need a certain number of British troops in the country. I quite see that. But once the question of political supremacy is out of way, you will not need a single British soldier in India so far as the protection of your people and your property is concerned. And I can tell you too that you will find that we shall then need British brains and British capital as much as ever, and we shall feel much less reluctance to employ them." The correspondent goes on to say, "This is not the bait held out by a non-co-operator. It is the opinion of a Parsee man of business."

#### Labour Party's Suggestions

There are certain specific things which we in the party with which I am associated feel should be done immediately. I complain of the fact that the Noble Lord gave no indication whatever that the perfectly legitimate demands of the Indian people should be met.



Unless those demands are in some measure complied with we are bound to have increasing aggravation of what at the present moment is a terribly dangerous position. We submit that the whole of the political prisoners should be immediately released. Those of us who have met some of these men know that it is a criminal thing that men like Lajpat Rai, whose crime is that they are patriots, have been cast into prison. We submit also that a conference which would include representatives of every school of Indian thought and representatives of the British Government should be immediately called. That conference should reveal the whole situation. It should reveal the working of the system of anarchy, about which we had so much controversy when the 1919 Bill was before the House. The British and Indian Governments should give some indication that they are going to revise the whole question long before the period of ten years which is named in the Act. Some of us made an attempt when the Bill was going through the Joint Select Committee to get that ten years' period knocked out. We were not successful, but the gravity of the situation is such at the moment that the Government should give some indication that they are prepared to consider the whole question of reform at an earlier date. I believe if the Government would declare now that they are prepared to call this conference on the understanding of course that all who take part in it will faithfully and loyally abide by its decisions, and if they will further state that they are prepared to revise the reform scheme at a very early date, it will do more to tranquillise India and bring peace in that country and a better understanding there than anything else could possibly do.

We submit further, that seeing that the first election resulted in many cases in the return of men who by no stretch of the imagination could be called popularly elected, new elections should be held. More than that, every manifestation of racial superiority should be ruthlessly curbed. The Noble Lord referred to the immense dangers of unchecked race hatred. How much of that race hatred has been stimulated by men who were not fit and proper people to represent Britain in India, men who constantly asserted a kind of racial superiority? No man who has been in India but will agree with me that there are certain types of men—I am not now condemning the whole European population—who have done tremendous harm to British authority and to everything that Britain stands for because of the attitude they have again and again maintained. The Noble Lord spoke of the grievances—and I believe he was quite right in what he said—under which members of the Indian Service at present suffer, but there is one aspect of that question which should not be overlooked. There is a feeling in India that



the type of man who in recent years has gone out to represent us there is not quite as good as the type of man who used to go years ago; in other words, that there has been a certain deterioration in the personnel of the Indian Civil Service. Men familiar with India will be better able to speak of that than I am. At all events, I have heard the assertion made, not only by responsible Indians, but also by responsible White men occupying positions out there, that deterioration is probably in some measure due to the rather uncertain position in which any man entering the Indian Civil Service must feel at present. But no deterioration should be allowed which will enable men to go out there to assert that overbearing sense of racial superiority which does more than anything else to stir up Indian feeling against us.

We submit that there should be a reduction in the vast military expenditure of India. It is a terrible thing that in a country, 93 per cent of whose people can neither read nor write—and the responsibility for this state of illiteracy rests very largely with the British Government—nearly a half of the total revenue is spent in the maintenance of an Army. We should press on with the work of education. I agree with the Noble Lord that what we want in India—and indeed we could do with it in this country—would be a well-informed electorate—if we could only get that and encourage the spending of less money on military matters and more on education. We must show, too, in a way which cannot be misunderstood, a desire to help India towards complete self-government at the earliest possible moment. As far as the Labour Party is concerned, we always have believed that India should be granted Dominion Home Rule within, at all events, a comparatively short time. We submit finally, that force and the rule of blood and iron will succeed no more in India than it has done in Ireland. We have an immense responsibility, and the number of Members who attend Indian Debates shows how clearly the British House of Commons realises its responsibility in this matter. We still have an opportunity. Sometimes I have felt that matters have gone so far that recovery is altogether impossible. When I came back from India in December of last year I had the feeling—and I know it was shared by others—that our policy had been so blind, so unwise, so utterly unsympathetic, so lacking in appreciation of the real Indian point of view, that any recovery could not possibly be made. I believe, however, now that we have an opportunity and that recovery is possible. Our responsibility is to make India free. Our opportunity is to win back the confidence and the trust of vast masses of people who have well nigh lost faith in the very name of Britain,



Col. Wedgwood.

**Colonel Wedgwood :** I think, perhaps, before I proceed with the business part of the Debate, I had better explain to the Hon. Baronet (Sir W. Joynson-Hicks) that his attacks on the members of the Labour party who went to India leave us not only cold, but satisfied. The extracts he gave from the speeches of my hon'ble Friend the Member for Bishop Auckland (Mr. Spoor) might properly have been delivered by every single member of the Labour party. The Member for Bishop Auckland went to India as the delegate of the Labour party. He took with him the views of the British Labour party on Indian questions as embodied in their Resolution passed at the Annual Conference of the Labour party. Those views are perfectly clearly expressed in the Resolution, and my Hon'ble Friend never in any one of the quotations which has been read went a line beyond the Resolution passed by the party. I think, he spoke, indeed, not only for the Labour Party, but, as he said, for the bulk of the democracy of this country. Surely the hon'ble Baronet realises, or, if he does not, I hope he soon will, that if the future relations of England and India are to be amicable there had better, particularly now, be drawn a clear distinction between Governments and peoples. We want to have some foundation for future amity. The Member for Bishop Auckland and myself are friends of the Indian people in their difficulties in order that when they come to their own they may look back and see that even in their dark days there were some in England who stood by them. I say to-day that the principal differentiation between England and other European countries is that all through the agitation over the Irish grievances there has been a large element in this country, among the democracy of this country particularly, who have stood by Ireland throughout their struggle, even although in so standing by Ireland they were apparently acting against the interests of their own mother country. In the long run we have seen that that attitude is the sheet anchor by means of which we may hope in the future to recover the friendship of the Irish people and to secure real stability for the future British Commonwealth. Do not, therefore, assume that everything the Member for Bishop Auckland and I do, even although it may not please Members of this House at the moment, is bad for the future of the Commonwealth to which we all believe.

As to the particular letter of my own which the hon'ble Baronet read, I think still, as I thought when I wrote it, that it was an extremely suitable letter to write. It was a private letter from one friend to another friend. I only wish that other Members of the House of Commons had the same feeling of complete



friendship for Indians, even though those Indians be in gaol, that I have, written, and that they, too, could write to Indians as I wrote, not only to Dr. Kitchlew, but to other Indians who were in gaol. I wrote to those three men who were in gaol, and it may surprise the Hon'ble Baronet to hear that I sent all those three letters under cover to the Viceroy, asking him to forward them if he thought they would do no harm.

Sir W. Joynson-Hicks: Does the hon'ble and gallant gentleman really mean to say that he not only wrote to people who were in prison, but sent the letters to the Viceroy, and put him in the position of saying whether or not he would deliver such letters from an English Member of Parliament? It was a most unfair position in which to put the Viceroy.

Colonel Wedgwood: Not at all. I asked the Viceroy to forward them if he thought they would do no harm. If he had not forwarded them, the whole thing would have fallen to the ground. He forwarded them, because being wiser than the hon'ble Baronet, he considered that it would do good to show clearly to these Indians who were in gaol that they still had friends in the British House of Commons. As to whether a letter which was obviously private should have been published by Dr. Kitchlew, that is another matter. After all, it was a letter from one public man to another public man, and, although it was intended to be private, I think he was entitled to publish it.

Sir Joynson-Hicks: It was not marked "Private"?

Colonel Wedgwood: No. The two other gentlemen to whom I wrote did not publish the letters. I think that on the whole both the Hon'ble Member for Bishop Auckland and myself deserve not approbrium, but congratulations, even from extremists in the House of Commons, for having tried to keep a bridge across the gulf to prevent these two great races from drifting apart, to keep them locked together in some form of amity.

#### The British Official in India

I want now to pass to the real, proper matter of this Debate. As India progresses towards freedom—and, in spite of this House of Commons, India is progressing towards freedom—year by year more and more subjects are being in practice transferred to the control of the local legislatures; year by year the Assembly itself is getting more control over the finances, and the veto embodied in the Government of India Act is less and less used and less and less likely to be used—as India progresses towards freedom, it is inevitable that Debates in this House should turn more and more upon the interests of Britishers in India, whether they be in the Civil Service or engaged in British trade and commerce



in India. We are bound to look at the question more and more from that point of view, and therefore nearly the whole of the Debate to-day has turned upon the future of the Anglo-Indian official in India. His position is very difficult. Let us realise that the better he is the sooner he will be scrapped. He is legislating, he is administering, for his own extinction, and that is an extremely difficult position. I look back with horror upon one period in my life when I was in exactly the same position, and, in spite of a radicalism which I hope will last throughout my life, I remember thinking that there was a great deal to be said in those days of keeping a firm control over the Transvaal.

I can quite understand the attitude of every civilian in India now, because the machine is inevitably working towards the elimination of himself. Just as in Japan, when the Japanese were educating themselves, they had to get Europeans in to do the teaching, and just as in Japan, they inevitably employed them on a three years' engagement and then scrapped them, so in India, as India is following along the line of civilised development, they must look forward to teaching their own people to do the jobs that hitherto have been done by Europeans. All that makes the position of the Anglo-Indian official extremely difficult. I do not want it to be thought that we in the Labour party do not realise that, that we do not sympathise with him and do not want them who are really working these reforms to work them satisfactorily. In the short time for which I was in India I found far more radicalism of view among the civil servants than among the commercial classes in India. Over and over again I found that the civilian was looking forward to working these reforms because he was really interested in them, because he really saw that in the long run the principal glory of this country will rest upon the fact that we got out of India, and not that we got into India—that we got into India when it was in a state of complete anarchy, and that we got out of India leaving democracy. That will be an enormous tribute to this country. It will be regarded as, perhaps, the finest monument to British rule, to British altruism, that exists. That point of view is seen and understood by a great number of the civil servants and of the Governors in India to-day. Even Conservative members of this House, like Sir George Lloyd, who go out to India with all the atmosphere of democracy created in the House of Commons in spite of party labels, and who become Governors with the idea behind them that they have a duty to the traditions of England, go there anxious to do what we on these benches are anxious to do, namely, to launch India on the road to freedom. Even though they are working with the knowledge that they will have finished



their work at the end of 10 years, or whatever it may be, even though during those 10 years, they find ignorant, uneducated public opinion among the inhabitants of India constantly against them, and even though they find themselves criticised over and over again when they ought to be patted on the back, the consciousness of doing their duty is enough. With that consciousness they will carry on their work well, and come back to this country having done something for England which they would never have done in the old days when they simply had to say "do this," and it was done.

Naturally, when we are discussing India to-day, we look at the question of the English in India. It is quite useless for us to discuss, as the hon. Member for Seven Oaks (Sir T. Bennett) discussed, the question of Indian finance. Indian finance is a question for the Indian Government, which is becoming more and more the real Government of India. I think it is perfectly ridiculous that in India the Income Tax is not levied upon agricultural rents, but it is not. That is a question for India, not for us. It is monstrous that half the expenditure of the country should go on the Army. The hon. Baronet, the Member for Twickenham, says that the Army is our responsibility, but they have to find the money. They have to vote the money year by year, and I think the people who vote the money will, in the long run, call the tune as to whether that money is to be spent and how it is to be spent. It is simply beating the air for us to discuss Indian finance. In the same way, with regard to the question whether cow killing is to go on in India or whether we should interfere to stop it, I always say, when I am asked about it, that it is not my business and I am not going to ask questions about it. I tell them to go to their own Member about it and let him raise it in the Council, and I tell them that, if they cannot carry it in their own Councils, they should not bother us. They are their own governors now, and just as Mr. Speaker prevents us over and over again from dealing with questions concerning Ireland, so more and more we shall have to be barred from discussing questions concerning India. Another question that we should discuss if we governed India is that of trade union legislation. Trade unions in India are practically just as illegal as they were in this country a hundred years ago. Men can be put in prison for being connected with a trade union. They can be proceeded against, criminally, by the employers whom they inconvenience. Trade union legislation is essential to the safe conduct of industry in India to-day. But, again, what is the use of our talking about it? They do not want trade union legislation, and will not have it. As a matter of fact in the last unfortunate election of 1920, they got into the Assembly all the landholders and all the millowners in India. There is



no representation of the people of India whatever. A few members were nominated from the Friends (Servants?) of India Society, who do attempt to look after the Indian working man, but the Indian working man has no vote, and the new governors of that country are the people who were elected in 1920. At the next election we may get a different brand; I do not know, how far the narrowness of the franchise will ensure a long period of employer rule, but I am certain that it is no use asking questions about it or talking about it in the House of Commons. It is not our business.

What is our business is to see where we are going. The noble Lord made to-day his first comprehensive speech on India. For 16 years in this House I have listened in Indian Debates to speeches by Liberal Ministers on India. This is the first time anyone in the House of Commons has heard a conservative speaking for the India Office. On the whole, I am not certain that I mind the change, because when the right hon. Gentleman the Member for Cambridge County (Mr. Montagu) was speaking there, although the speech was quite different, he spoke without power. He spoke without the rank and file behind him; he spoke under constant pressure from those benches; he was not a free agent. To-day we have had a different speech. It will not be so pleasing in India; it is much more pleasing in this Committee; but it has the enormous merit of being in accord with the views of the Government. I wish that, before the Noble Lord makes his next speech, he would visit India. I think it ought to be possible for the Under Secretary of State to get out and go round India, to talk with the Governors and see what they are thinking about now. That is really the best way of learning what the present position is. I am certain that the Noble Lord, and, I suppose, the Secretary of State, are dealing with India now without understanding the real difficulties of the problem as they are seen out there. They see the difficulties of the problem under the heckling of the hon. Baronet, the Member for Twicktham. They see the Die-hard point of view. I do not say they agree with it, but they see it. That has always been what they have been up against, and therefore, they have to take account of it. I want the Noble Lord to go out and see Sir George Lloyd, Lord Lytton, Sir Harcourt Butler, and all the other Governors, and find out what they are thinking of the present situation and what they want to do. All that I hear proves more and more that the Governors, who are primarily the people who have to work the Government of India Act, are all wanting to get through the transition stage and on to the next stage; that the difficulties of the present position are getting enormous. You cannot go back; you cannot cancel the Government of India Act; but the difficulties of



working the situation at the present time, when you have a constant ill-will over the whole population, are becoming very great indeed. You can easily carry on by coercion, particularly in India, where there is no chance of an armed rising. You can carry on Government by coercion for a long time, but there is no heart in it, and the best of these Governors will say, I think—I have not seen them or heard from them—“Let us try and save the amity of the situation by getting on to the final stage quickly. Let us try to get as far as possible over this intermediary stage and take the risk.” After all, the greater part of the risk is India’s risk. To us the risk of Dominion Home Rule is a loss of jobs by a number of civil servants whom it would pay us over and over again to compensate ourselves rather than have deadly hatred from India in years to come. This is a question of security for a great amount of British capital, and I believe British capitalists themselves—ask those directors of the Scotch mills at Calcutta—would say that their capital was going to be more secure under a self-governing India than it is under an India in which race hatred is going on boiling up, in which the only policy of every Indian is to get rid of the English. As long as you have the struggle for independence, there is a risk to capital. When once India ceases to see that her principal business is to get rid of the English, they will be able to work with the English. I believe a visit by the Noble Lord to India, seeing business men, particularly those who are now bringing Indians on to directorates in great numbers—take the Capital Bank of India; it has always kept Indians off the Board, but is now letting them on—see the way in which capital is developed in Bombay where nearly all the capital is Indian capital. See the way in which Indian capital is becoming intertwined with English. He will find from those people that perhaps even they would be anxious to end the present situation, and bring about a lasting settlement, even though it came 10, 15 or 20 years earlier than we expected when we passed the Government of India Act. I do not like, and I do not believe anyone in the House likes, a situation where there are 20,000 agitators in prison.

Earl Winterton: What authority has the hon. and gallant Gentleman for saying that there are 20,000 agitators in prison?

Colonel Wedgwood: I have seen it in the Indian Press. I was told by an Indian the other day that there were 23,000. We cannot get the information out of the India Office. You all say you do not know. The noble Lord keeps on saying that he does not know how to distinguish an agitator from a common criminal. Unless he can distinguish them we cannot get the figures of the facts. I wish he would try to secure them. About two months ago I asked for the number of politicals in prison in each province, I think



nearly all the politicals are in prison in Bengal. In certain provinces they are being put in gaol and in others they are not. In any case we want the facts, and, I think, in spite of the fact that we are not responsible any longer for the Government of India, we ought to know these facts because they are of enormous importance to the amicable relations of the English and the Indian people. We cannot look on contentedly at a state of affairs in which the only possible way of governing India is to put the political leaders in gaol. It may operate for years. I think it has done a great deal to kill the non-co-operation movement. It has made the non-co-operation movement less vocal and I dare say it has made it actually less powerful, but in the long run the gaol is no cure for anything, and sooner or later those people will come out embittered against England. I could wish that every Member of the House would realise that a man who goes to gaol for conscience or for his country is not a criminal. You can call him what you like but he is not a criminal in our sense of the term: and whether it be Lajpat Rai or whoever it may be, they are men who are making a very great sacrifice for what they believe to be right; and although it is many hundred years since Englishmen had to go to gaol for the liberties of their country, we ought to be able to appreciate that amount of self-sacrifice in another race which, modelled upon our history, is trying to do the same thing that our ancestors did 300 years ago.

What can we do? My hon. Friend the Member for Bishop Auckland has indicated what I think might be done. This is really what the Noble Lord should find out when he goes to India. We want as soon as possible an inquiry into the working of diarchy up to now. They have had two years. By the time that Commission gets to work they will have had two and half years—four sessions of the Legislature—to go upon. We want to know how it is working in the Legislative Assembly and the Councils. We want that Commission to include in its terms of reference the power to make recommendations for modification of the rules and we want it to have power to recommend, if it thinks fit, new elections. I say if it thinks fit because I think any new election in India should be dependent upon the consent of the non-co-operators to drop non-co-operation as far as the councils are concerned. I have always thought and said it was insanity from the point of view of the non-co-operators themselves not to get themselves elected on the Assembly. They have deprived themselves of the best platform and they have given to their enemies an unduly prominent position. Now they are beginning to realise this. I do not know whether the Noble Lord has seen the views expressed by Mrs. C. R. Dass. She is a lady very much like Rosalind



Countess Carlyle in this country 10 years ago, a woman of enormous political influence, partly due to her husband's position. He is in goal of course. Mrs. Dass's views are now that it would be advisable, certainly in Bengal, where she controls the situation, to get to the Bengal Council and the Legislative Assembly. It was always her husband's view, but under the pressure of Gandhi's personal opinion to the contrary he gave way. Bengal, of course, is the most English part of the country, and a place where they appreciate democracy perhaps better than in any other part of India. There I think you would certainly have a break away.

It is obvious that if you had a general election, and if the non-co-operators decide to take part in it, you would get upon the Council of the Dominion a large number of people who would be extremists. Do not think they would be an overwhelming number, because there has been such a lot of jerrymandering of the constituencies in India that the land-lords would still rule the roost in a great many constituencies. But you would certainly get a considerable element of extremists, if you allowed them to stand of course. They are all in prison and ineligible at present. They would make themselves a nuisance on the Council. If they were opposed they would carry on opposition even more effectively than the Labour party does now. They might make scenes in Parliament. You have got to go through that stage. If you are ever going to turn your poachers into game-keepers you have to expect them to do a little kicking over the traces. You expect them to have a night out occasionally. I am certain that is the only way in which they will learn responsibility. After all, we in this party are learning responsibility through opposition and in time to come we shall be able to carry on in India quite as well as the Noble Lord opposite. That seems to me to be our only way. Let us have an inquiry. Let us give the people who hold that inquiry into the working of diarchy the possibility of making recommendations for changes in the rules and regulations and also power if they can come to terms with the Indian die-hards to open a fresh election and elect a real Legislative Council, a real Assembly, such as we have not, unfortunately, in India to-day. If you are going to end non-co-operation, if we are ever to work together with the Indian people, break it down slowly. See, first of all that they go on the Councils, and when they realise that that means governing India the rest of non-co-operation will fall to the ground and be futile and stupid, and we shall get not only Indian Home Rule—a new Dominion within the British Commonwealth—but we shall get the foundation of real good feeling between these two great races of the earth.

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# The Burma Reforms

*HOUSE OF COMMONS—12TH JUNE 1922*

In May 1922 the Parliamentary Joint Committee on Indian affairs were working feverishly on the Draft Rules for the New Burma Reforms. This work was completed on 26th May, and the rules were published in two White Papers five days afterwards. These came up for discussion in the House of Commons on the 12th June and occupied the House for 5 hours. Only a drafting amendment was introduced on the motion of Lord Winterton, the Indian Under-Secretary of State. Colonel Wedgwood tried to move several amendments to bring the scheme more in harmony with political aspirations of Burma but they proved abortive. The whole scheme of the Burma Constitutional Reforms as put before the House was to a certain extent in advance of the other Provinces of India under the Reforms Act. The Rules for Burma followed in the main the recommendations of the White Committee (See p 937) and the franchise proposed was more liberal than in the rest of British India. Excluding the backward Shan States (which will have no direct representation at present) the population of Burma to whom the new Constitution will apply is about 11,560,000. In the rural areas alone, with a population of 10,750,000, there will be an electorate of one and a half million. This will be rather more than the number on the electoral roll of the United Provinces, which have the far greater population of 45,000,000. In Bengal, where the population is 46,000,000, the electorate only just exceeds a million; whilst in the Central Provinces, with a population about equal to that of Burma, only 145,000 are entitled to exercise the franchise. The larger numbers in Burma are due mainly to the lower age limit (18 instead of 21) and the inclusion of all persons paying household tax and capitation tax.

On the matter coming up for discussion on the 12th, Colonel Wedgwood who took a very active interest both on the Joint Committee and in the House itself, said that the scheme was worthy of acceptance by Burma, even though the improvements which he desired to introduce were rejected. At the same time he did his best to convey to the House the views of those Burmans who regard the measure as timid and, in part, reactionary. He said that the question as to whether the new system was to be accepted or rejected by the politically conscious classes in Burma was trembling in the



balance and the main purpose of his amendments was to make the offer as generous as possible so as to obviate in Burma the policy of Non-co operation which had prevailed in India.

#### Die-Hard Objections.

Two or three Unionist members in course of the discussion made it plain that the measure though presented by a Tory Minister was not at all to their liking. Major Glyn objected to the transfer of forests to a Burmese Minister on the ground that it would lead to inefficiency and loss. Sir Charles Yate pitched into the system of dyarchy and protested strongly against the proposal to fix eighteen as the age for the exercise of the franchise.

Sir Thomas Bennett and Mr. Ormsby Gore gave their hearty support to the moderate scheme of reform. They said that they had no doubt as to the grave folly of allowing the present conditions to continue indefinitely. Mr. Ormsby Gore deplored the delay which has taken place in the extension of the Act to Burma, and urged that what was done now should not be done in a niggardly spirit.

Mr. Ormsby Gore was one of those who opposed the principle of communal representation contained in the Bill. This question was raised in an amendment by Colonel Wedgwood who sought to eliminate the scheme of communal electorates, substituting for it the reservation of particular seats. His speech was a very powerful argument against special minority representation, only his position would have been more logical if he had refrained from putting forward an alternative method of securing what was practically the same end. He showed how communal representation would work if applied to England. It would mean a separate register for Scotsmen, another for Irishmen, a third for Welshmen, and so on, and on the top of these racial distinction there would be special representation for Jews, Roman Catholics and other communities as such. He further urged that such a system could never be good for minorities, whether in Britain, India, Burma, or anywhere else. Where particular communities, such as Indians and Karens in Burma, predominate in certain constituencies they will have no difficulty in securing the election of their own representatives through the medium of a general electorate; and where the same communities can only register a limited number of votes, they may still exercise a very considerable influence, both in the selection of candidates and as regards the subsequent actions of those elected. For example, as was pointed out, Roman Catholics in England were in a much stronger position by being able to use their votes in this way in a large number of constituencies than they would be if lumped together in a few communal constituencies, because in the latter case ordinary members of Parlia-



ment would take no notice of their claims and their own representatives would form only a microscopic minority in Parliament.

Lord Winterton, however, managed to persuade the House that the method of communal representation proposed in the rules was necessary in the present stage of political development in Burma, and the amendment was accordingly rejected by 146 to 43.

#### Amendments Rejected.

Colonel Wedgwood's other amendments shared the same fate. The rules, as drafted, in addition to enfranchising women on the same terms as men, enabled the Legislative Council to decide whether they shall be eligible to stand as candidates or not. Colonel Wedgwood, however, thought that the right to stand should be conferred at once, but by a majority of 155 to 43 the House thought otherwise.

Under Rule 5, all candidates must have attained the age of 25. Colonel Wedgwood proposed to substitute 21, and in doing so he pointed out that Lord Winterton himself had been elected a member of the House of Commons at 21 by a method which did not surely follow the election rules in Britain. Whereupon the noble Lord blushed exceedingly and afterwards confessed that he was ashamed of his conduct between the ages of 21 and 25 (as indeed he had good reason to be, for he was in those years one of the most unruly youngmen at Westminster.) He stuck, however, to the age of 25 for Burma, in spite of the opposition of Lord Robert Cecil and other experienced members, and carried his point.

An effort was also made to secure for the various electorates, whether communal or territorial, freedom to choose their own representatives without regard to any residential or communal qualification, but it was unsuccessful. Equally unavailing was the attempt to prevent the disqualification for election of persons who have been imprisoned for political offences. Colonel Wedgwood pointed out how this, in itself, would exclude many of the most patriotic men in India from serving in the Councils should they at any time desire to do so, but in this matter also the Under Secretary was unyielding and the amendment was negatived.

Towards the end of the discussion Colonel Wedgwood again raised the question of the separation of Burma from India—a development which he would heartily welcome and for which he gave his reasons. His fear was that the rules as they stood would prevent the Burmese people from giving effect to their wishes in this matter at some future time, but Lord Winterton maintained that there was nothing in the rules to prejudice their ultimate decision as the root principle of the relationship of Burma to the Government of India was not affected. The Rules were then passed.



# The Joint Committee

After the Burma Reform Rules, the next matter to engage attention of the Joint Parliamentary Committee on Indian affairs was the huge increase in the Army expenditure of India. The second report of the Standing Joint Committee on Indian affairs dealing with the cost of maintenance of British troops was out early in July 1922. The Committee had the advantage of the attendance of the Secretary of State on three occasions and put many questions to him. They considered that the whole question should be exhaustively explored with a view to effecting what reductions in military expenditure may be found practicable and consistent with security. The report points out that the Indian Budget for 1922-23 shows an estimate of over 62 crores of rupees on military expenditure out of a total expenditure of 141 crores, while the revenue is 132 crores and the deficit nine crores. This serious financial position, says the report, renders economies in all possible directions imperative. The expenditure in India for British troops in 1921-22 was 16 crores 81 lakhs compared with seven crores 32 lakhs in 1913-14, despite the fact that the strength had been reduced by six thousand men. The Committee is not informed on what grounds the reduction of strength was made and desire to make it clear that they do not recommend a further reduction in the size of the British army. The increase in the cost of troops however may be attributed to a considerable degree to higher pay since 1919.

It is understood, continues the report, that the increase of pay was deemed necessary by the War office on account of the increase granted in England at that time and adopted by the Home Government under abnormal conditions without any formal consultation with the India Office or authorities in India. The Indian Government had no other alternative but to accept it although there was already a serious deficiency in revenue as compared with expenditure. It is open to consideration whether the general Head Quarters Staff is not inflated and capable of reduction without disadvantage. The Headquarters Staff has increased from 96 in 1914 to 166 in 1921. The total of officers' staffs other than headquarters has increased from 203 in 1914 to 278 in 1921. The Committee has not examined this subject in detail owing to its magnitude and complexity, but in view of the facts disclosed above they feel it their duty to direct the attention of Parliament to the importance of the whole subject and to recommend that the Incheape Committee should be directed most seriously to consider the possibility of reducing expenditure as far as the British army in India is concerned,



# The I. C. S. Debate

*HOUSE OF COMMONS—2ND AUGUST 1922*

The following is the full account of the famous I.C.S. debate in the last parliament in which the then Premier, Mr. Lloyd George delivered that notorious 'Steel frame' speech which has since then been agitating public men in India about the danger of another breach of faith regarding the Reforms.

In the House of Commons, on Aug. 2. Sir S. Hoare (Chelsea, C. U) raised the question of the present position and prospects in the Indian Civil Service. He said that one of the most important factors for the success of the Government of India Act was an efficient and contented Civil Service. At the present moment there was very grave anxiety and discontent in the ranks of the Civil Service. That was shown by the fact that at the recent examinations fewer Europeans presented themselves. That was a serious fact. The Indian Civil Service was suffering from a general grievance that came from the feeling of uncertainty and from a number of specific financial grievances. A great many members genuinely believed that their pay was no longer so secure as it was, that their pensions were not so certain, and that it was doubtful, as constitutional development took place in India, whether the appointments they now held would continue, and, if they ceased to continue, whether they would obtain just compensation for having their careers brought to an end. They felt that the conditions offered by the Government for premature retirement were not generous enough. They had seen many debates raised and questions asked in the new Councils and Assemblies suggesting that a great many members of those bodies thought that the Civil Service was no longer wanted in India, and that the civilians had better pack up and go home.

He urged the Prime Minister to make a clear statement that in the spirit and the letter, the Government abided by the pledges that individuals of the Indian Service should not suffer from the constitutional changes that had taken place. Owing to the fall of the rupee and the rise in the cost of living, the Indian Civil Servant was very much worse off, even with the 8 per cent rise of salary under the Islington recommendations, than he was when those recommendations began to take effect. The Indian Civil



Servant, moreover, saw that, while his pay had only risen by 8 per cent, that of the British Civil Servant, the officers in the Navy and the Army, and the Members of the Diplomatic Service, had risen by a great deal more. The hon. member admitted that there were several very real difficulties in the way of measures that might be taken to remedy the evil complained of. One of the greatest was the financial difficulty, which was particularly felt in India. He did not wish to dictate what India should do or not do. He felt that the question could only be amicably settled with Indian co-operation. After all, the Indian Civil Service existed not for the benefit of a few Englishmen, but for the good of the whole of India. It already consisted of a number of Indians. They had just as much status in any improvement that was made as had Englishmen, and if the position were put frankly and fairly to moderate opinion in India, it would be behind the Government in any improvements that ought to be made. He suggested that there should be some sort of inquiry into the matter.

Sir W. Joynson Hicks (Twickenham, C. U.) referred to the position of the other British services in India, and said that the Indianization of these public services was proceeding apace, and during the last two years, it had been extremely rapid. Under present arrangements it was proposed that 48 per cent of the Civil Service should be Indianized. At the present rate of progress that would be completed within nine years. The Indian Education Services were to-day over 87 per cent Indianized; the Indian Service of Engineers was 38 per cent Indianised. The Indianisation process in the agricultural services was going a little more slowly; they were only 25 per cent. Indianized at present. But, in the Indian Medical Service since 1915, there had been 174 appointments; 101 of these had been filled by Indians, and only seventy-three by Europeans. The Indianization of this service was proceeding so rapidly that in many parts of India—the up-country districts—it was impossible for an Englishman to obtain the services of a White doctor. The Indian Medical Service was really the “key” service of the whole of our services in India. To-day we were not getting the supply of Englishmen to take up positions in the Indian services. A conference had been held recently at Oxford to consider the difficulties of getting youngmen at Oxford, Cambridge, and the other educational centres to go in for Indian examinations, and the result was such as to cause the gravest anxiety. Sir William Vincent had also stated that our officers in India had to work in an atmosphere of hostility, which gave rise to almost intolerable difficulties. It was the moderate view that this country was going to permit the complete Indianization of the services and



that Englishmen must gradually quit all those offices. During the last few years the Englishmen in India had been compelled to form associations of defence in the various provinces to protect the members from injustice and hardship.

### Mr. Lloyd George's Speech

The Premier then rose and said :—

I am speaking early as I understand that by arrangement this debate is to come to end at an early hour in order to enable honourable Gentlemen opposite to raise questions in which they are specially interested. I will do my best to enable that pledge to be redeemed. I am grateful to my honourable and gallant friend Sir Samuel Hoare for bringing this important matter to the attention of the House of Commons. I have heard a great deal about this, more especially in the course of the last few months. No doubt there is a great deal of uneasiness among our British Servants and British Officials in India with regard to the future, and there is no doubt, as my honourable friend states, that they feel that their position is precarious and that they are very uneasy with regard to their pay and pensions generally. There is the apprehension that great constitutional changes, which have been introduced in the course of the last few months, will affect their position prejudicially, and they want reassurances and possibly they need assurances, with regard to all these questions. They are discharging a very great trust on behalf of the people of this country and on behalf of the people of India. Without their loyalty, capacity, and patience India could not possibly be saved from falling into the position of anarchy from which this country rescued her a century and more ago. It is but natural that great constitutional changes which took place should provoke some uneasiness in the minds of those who worked the old system. It is the effect of every great change in an establishment. Those who have been running an establishment along well-known lines are naturally unhappy with regard to the effect the changes may have upon their own prospects and conditions.

#### The Reforms an Experiment.

Therefore we must not be surprised to find that that is the state of British officials in India. I should like to say one or two words with regard to the working of those changes before I come to the specific point raised by my honourable and gallant friend because they have a bearing upon the problem which is suggested for our consideration. Those changes were in the nature of an experiment and they must be treated as an experiment, a great and important experiment, but still an experiment. Difficul-



ties have arisen and weaknesses have been exposed in the working of this new system, but this was inevitable. On the whole I think it may be said, taking into account the fact that the experiment has been in operation only for a year and a half, that there has been a very considerable measure of success inspite of drawbacks which have manifested themselves. India has never been governed on these principles before. The Native States are not governed on these principles now, and it remains to be seen, whether a system of this kind, adapted to western needs, perfected by centuries of experiment and marked at many stages, in fact at every stage with repeated failures, a system which the West has perfected for its own conditions and its own temperament, is suitable for India. That remains to be seen, and that we must watch carefully, but we must also watch it patiently. We must not jump to the conclusion because there have been difficulties, drawbacks and failures, that the experiment has been a complete failure.

#### Non-Co-Operation

Before the last election and until recently there was a very considerable non-co-operative movement. Very powerful elements in India refused to associate themselves with these experiments at all and the elections were held without the assistance of that advanced section, and the Parliament or Legislature chosen did not present those elements. There have been very able and distinguished Indians who have done their best to make the experiment a complete success, and others who have steadily opposed it. I think that in another year or eighteen months there will be another election. The Non-co-operation movement at the present time is in a state of collapse. What part it will take in the next election we cannot tell, what influence the Non-co-operators and men of that kind will exert upon those election I cannot predict. A good deal will depend upon the kind of representatives chosen at the next election.

Whether they will be men of moderate temper such as those who constitute the present legislature, men who are honestly and earnestly doing their best to make this new constitutional experiment a success, or whether they will be there as men who are simply using all the powers of the machine in order to attain some purpose which is detrimental to British rule and subversive of the whole system upon which India has been governed up to now, I cannot say. That is why I say that the most serious and most trying time—a time which will constitute the real test of success of this effort—is yet to come. I think it is right that we should say that, if there is a change of the kind in the character of the legislature and in the purpose of those who are chosen in design of responsible and chosen



leaders of the Indian people, that would constitute a serious situation and we should have to take it into account.

**Britain will not abdicate**

One thing we must make clear, that Britain will in no circumstances relinquish her responsibility to India. This is a cardinal principle not merely of the present Government but I feel confident that it will be the cardinal principle with any Government that could command the confidence of the people of this country. It is important that that should be known not so much in this country for there is no doubt about it here ; but in India, where for many reasons there seems to be doubt disseminated, sometimes fortuitously, sometimes quite unintentionally, and sometimes from facts which seem for a moment to justify conclusions of that kind. It is right that not merely here but in India it should be thoroughly understood that that is the fundamental principle which will guide every part that ever has any hope of commanding the confidence of the people of this country. We stand by our responsibilities. We will take whatever steps are necessary to discharge or to enforce them.

**Anarchy before British Rule**

We owe this not only to the people of this country, though they have made a great sacrifice for India, but we owe it to the people of India as a whole. We had no right to go there unless we meant to carry out that trust right through. There is a great variety of races and creeds in India, probably greater variety than in the whole of Europe. There are innumerable divisive forces there and if Britain withdrew her strong hand nothing would ensue except divisions, strife, conflict and anarchy. India would become a prey either to strong adventurers or to the strong invader. That had been the history of India up to the very hour when we took India in hand. There has always been a historical play between those two alternatives. What has happened before would ensue again if Britain withdrew her might and strength from the guidance of that great Empire. In fact, if we were to do so, it would be one of the greatest betrayals in the history of any country.

**Indian Princes**

We have a duty, not merely to the vast territories in India where we exercise supreme control but we also owe a duty to the great Princes of India and to the Indian States which are feudatories of his Majesty the King Emperor. They constitute about one-third of India. We owe an undoubted duty to them. They have been loyal to the Throne and to the Empire under conditions where loyalty was tried in every fibre and where loyalty was vital to the existence of the Empire. There has been nothing more



glorious in the whole story of the Empire than the rallying of these Princes and those peoples to the British Empire at the moment when we needed all strength which we could command either in our own territories at home or throughout the vast domain of the British Empire. Thereof we owe a great duty to the backward parts of India which are dependent on the direction and guidance and vision which British statesmanship can command for the purpose of development of good government in that great country.

#### Discharging the Trust

We have invited the co-operation of the people of India in the discharge of this trust. We have invited them in increasing numbers and perhaps in increasing proportions. I think that that was inevitable. It was a natural development. We have invited them in the Army, we have invited them in the Civil Service and we have invited them to assist in the Government of India under their own people now in Legislature. That was the inevitable evolution, but I want to make it clear, if it is not already clear, that that is not in order to lead up to the final relinquishment of our trust but with a view of bringing into partnership in the discharge of that trust within the British Empire. To discharge that great trust it is essential to have the aid of the Indian Civil Servants, Indian soldiers, Indian Judges and Indian legislators. But it is vital that we should have the continued assistance of British officials. There are not so very many of them. I marvelled when I looked up statistics. There are only 1200 governing 31,50,00,000 people with all sorts of physical difficulties of climate and special difficulties for men brought up in a temperate climate like ours.

Sir Donald Maclean—Does that include all British Officials?

The Premier: That is the total simply for the Civil Service. It does not include the Police and Medical Services. Figures are 1200 British civil servants, 700 British police officers, and 600 British medical officers. That is a total of 2500 governing that gigantic Empire with its hundreds of millions of population, governing quietly and without fuss, doing it for generations. There is hardly anything that is comparable with it in the history of the world, certainly not since the days of Roman Empire. Here is something for us to be proud of.

#### A Triumph of Government

I do not believe there is any country in the world that can produce such a triumph of Government. As I said once in this House there are men governing huge territories there whose names are hardly known. Even when they retire and you meet them



they are introduced to you as members of the Indian Civil Service and you have never heard of them although they have been governing perhaps tens of millions of people for a very long period. Their every word is a command, every sentence a decree, accepted by these people, accepted willingly with trust in their judgment and confidence in their justice and their fairness, which ought to be the pride of our race. I have often talked to Americans about this. They are full of wonder at the achievement of ordinary and insignificant (in sense of not being known) civil servants in different parts of the world alone or almost without companionship, governing great territories. They always regard it as a great miracle of British gift for government. These Civil Servants are entitled to every word of support. They are entitled to every deed of support that this Imperial Parliament can give, and if they need it, it is the business of statesmen to give it, speaking not only on their own behalf but speaking on behalf of the whole of their countrymen to stand behind them to support them, to see that justice is done to them if they have grievances. We must pledge ourselves not merely to this Government but any other Government that comes here to see that fair treatment which is their right is dispensed to them. They ought to know that this is the attitude of the British Parliament towards them. I am one of those who believe in getting the co operation of India in the government of the country. I believe it strengthens the Empire, it strengthens the hold which the Empire has upon them ; it would be a mistake to make India regard that Empire as something which is outside, it is strength to the Empire to make them feel that they are part of it, that they are in it, part of the structure, and that when they are challenged and when the Empire is challenged they are not fighting for something which is in London but for something which is in Calcutta or Bombay or wherever they happen to be. That is what made our strength in the last war in the Dominions and in the Colonies.

Therefore I approved this question from the point of view of one who believes in getting Indians to assist us in discharging the very great trust and obligation which we have inherited and which I hope we shall transmit to our descendents in generations to come. From that point of view I should like to say this. The success of our efforts in securing the attachment of Indians to service, the recruitment of Indians to service, the embodiment of Indians in service, will depend not upon the quality of speeches delivered in the legislatures by Indians (although I do not despise that contribution in the least because that is what Parliament means, it means a place for speaking), but rather by their efficiency in the discharge of



their ordinary humdrum tasks as members of the civil and other services. I think it is important that Indians themselves should get that well into their minds. They see speeches reported in papers and they see a great deal of importance is attached to those speeches, and they say this is the art of Government. Well, it is part of the art of democratic Government, and people who try to govern without it have generally failed. In war, as I ventured to say some time ago, countries which were the most efficient on that side were also the most efficient in the conduct of war. It is a great part of the art of Government. It is the beginning but the other is vital, and unless they supplement it by showing that they are able to do their work as civil servants, then the experiment of inviting them to co-operate with us will be a failure. .

#### The British Services Indispensable

What I want specially to say is this, that whatever their success, whether as parliamentarians or as administrators, I can see no period when they can dispense with the guidance and assistance of a small nucleus of British Civil Servants, of British officials in India, this in the population of 31,5000.000 and they only number 1200. They are the steel frame of the whole structure. I do not care what you build on to it, if you take that steel frame out, the fabric will collapse. It is therefore essential that they should be there, but not for their own sakes. What does it matter finding 1200 positions from a population of 36000000. Finding jobs for 1200 is really too trivial. I see comments and unworthy comments about our finding avenues and jobs for our young men. There is not one of this 1200 that could not easily find a much better job in this country, a much better paying one. The difficulty is to get men to go there. It is not the difficulty of finding places to put them into. Therefore, I am not talking from that point of view. As I said to my Right Honourable friend, the Member for the Scottish Universities (Sir Henry Craik) when I had a conversation with him five months ago, and I am entirely in agreement with him. It is from the point of view of India I am talking. It is a question not of value to us of finding outlets for intelligent young men, but of value to India of getting men of this kind who are highly trained and full of spirit, and there must be some spirit in them to go there and undertake this task. These men are placed at India's disposal and Indians ought to feel a deep sense of gratitude, and I have no doubt the vast majority of them do. It is no secret that they often feel far more confidence in these men than they do in men of their own flesh and blood.

Therefore it is essential that we should keep this service.



**Difficulty in Getting Recruits**

There is no doubt at all that because of the sense of disturbance and disquietitude which recent events have created in India, a difficulty has been experienced in obtaining recruits for the Indian Civil Service. I do not think there is much in the difficulty as regards medical men or at least it is a different kind of difficulty. The difficulty in regard to the medical men, a difficulty which is experienced even here, and you certainly cannot get them in the Colonies, is due to war. When the war came young men were drafted into the Army just at time when they should have been undergoing training and the result is that there is a great gap which it will take some years to fill up. I am partly responsible in another way because the Insurance Act has increased the demand for doctors, and what was supposed on the part of the medical profession to have been a great conspiracy and was denounced as much, has turned out to be a real blessing and encouragement to students to persevere in their studies. At any rate there is a shortage here. There is a shortage in the Colonies and naturally there is a shortage in India as well. But when you come to the British Civil Service and the Police in India the difficulty there is in a different category. That is undoubtedly due to the fear that there is going to be a change to their detriment and a change which will prejudicially affect their status. There are sentences like that quoted by my honourable Friend, Member for Twickenham (Sir William Joynson-Hicks) and I say at once that I am rather sorry that statement was made. It is a sentence which, taken away from its context and read by parents, would have the effect of discouraging them from sending their children to the Indian Civil Service. I think it is discouraging that this sentence should be uttered at a moment when a great difficulty is being experienced in getting recruits.

**Concessions to the Services**

I hope when it is thoroughly realised that there is no idea of winding up the British Civil Service and that we consider it not merely as an integral part of the system but as essential to the very life of the system and that in spirit we will consider everything that affects the conditions in the service. I hope it will be an encouragement to young men once more to turn their attention to this very great career which not merely redounds to their own glory but undoubtedly to the glory of their fatherland and make its name great throughout the nations, because that is the record of the Indian Civil Service. All these questions we are considering very carefully. Questions which have been put by my two honourable friends—the questions of pay, no doubt—they have been hit



hard by the sudden increase in the cost of living attributable to war. There has been a reduction and that reduction is a still progressive one. There is also the question of passages to Europe which as a whole have been during the last few years inflated. I think in the course of a year or two or three there must be reduction upon these very high charges on people who have only got their pay to draw upon to keep themselves and their families. It will come about. But I will promise to go into that matter and as a matter of fact my noble Friends, the Secretary of State and the Under-Secretary are both considering that matter very carefully. It is right they should do so, because it is essential that young men should not be discouraged from entering the service. There is no doubt at all that the setting up of a legislature has forced us to consider good many other questions in reference to the Indian Governments. I marvel when I consider the kind of work which is done not merely by Indian Civil Servants but by Indian Councillors.

They are practically the Cabinet Ministers of India with enormous responsibilities of every kind. They have no Under-Secretaries and their numbers are very few. The number of British members is only four and they have no private Secretaries.

John Marriot : Are there no Cabinet Secretaries ?

Premier : That is exactly the sort of Government my hon'ble Friend would like. That shows how little he knows about India. If he had the advantage of having a discussion with one of the members of the Council he would realise what a need there was of a Cabinet Secretariat. It is absolutely impossible for them to discharge the duties they have now got in addition to the task which they had before. They have to answer questions and to take part in the discussions. The Indian representatives are showing considerable activity following the example of members in other parts of the Empire, and giving as much trouble as they can which is quite right. That precedent is followed in India with the result that it is quite impossible for the very few ministers that are there who practically are Cabinet Ministers to discharge their functions without some assistance. Now that is one of the questions which we have to consider. The difficulties in India are increasing. They are bound to increase with the spread of education, with the greater knowledge in India of what is going on outside, with the influence which comes from great movements from every other part of the world surging on the frontiers of India and sending a thrill of disquietitude throughout the whole of the country. That has come and to a certain extent, it will continue to come.



We must not be discouraged by it and say that it means disaffection in India, that it means insurrection in India, that it means that India is getting tired of British rule. The world is tired of every rule. If Hon'ble members will read the newspapers they will find that this is the only Coalition that has lasted six years.

Commander Kenworthy : "What about M. Lenin".

Premier. No, he has not lasted as long and I am not sure that he has lasted, but my hon'ble and gallant Friend knows more about him than I do. You have got it in Italy and France and everywhere else, and that simply means the sort of unrest there is throughout the world, but you must not get discouraged. It does mean however undoubtedly a considerable accession of responsibility and of work to those who are discharging the functions of Government in every land, and on the main must as far as India is concerned depend not upon what happens in this Parliament where we can get discussions only once, twice, or three times a year upon India. We cannot keep a continuous eye upon what happens in India, and that is right. You cannot do it, it depends upon the kind of Government that you have there. It is essential that should be strengthened, but whatever you do in the way of strengthening it, there is one institution we will not interfere with, there is one institution we will not cripple, there is one institution we will not deprive of its functions, or of its privileges, and that is that institution which built up the British Raj, "The British Civil Service in India".

#### Responsibility for India.

We have undertaken the responsibility for India. We have undertaken to guide India. We have undertaken to establish and maintain law and good Government throughout its vast dominions. We have undertaken to defend its frontiers, and to protect its peoples against internal foes and external foes. The British Empire means at all costs to continue to discharge that sacred trust and to fulfil that high destiny.

Colonel Wedgwood (Labour—Newcastle-under-Lyme) wondered what evil genius inspired the Prime Minister with the necessity to make this speech to-day. There was no doubt that this was a new declaration as regards India, a declaration which he would find it difficult indeed to square with the Declaration of August, 1917. He had said that we would never relinquish our responsibility for India. He was quite right. Neither States nor individual can ever relinquish their responsibility for what they say or do. But what did he mean? Did he mean a change of policy? Was it his view still that our duty as regards India was to see



that country safe on the lines of Dominion Home Rule? Did he wish to see that country self-governing, even as Canada or Australia are self-governing? That was the Declaration of 1917—not immediately, but as soon as it could safely be done. Was that relinquishing our responsibility or not? The people of India, reading his speech to-morrow would want to know what the Prime Minister meant. He had said that there was one institution which should never be deprived either of its powers or its functions, and that was the Indian Civil Service. Was that the doctrine of the Government, or was ultimately self-government the doctrine of the Government? How were they going to combine the two? He said that no Government that ever followed his Government will ever dare to relinquish our responsibility for India.

No, we shall not (proceeded Colonel Wedgwood), but our responsibility for India seems to be rather different from his. Our responsibility for India consists in assisting the formation of democratic self-government in India. All our dealings with India will be to bring that day about when India can safely be given democratic Home Rule.

How is it possible for the Civil Service when once there is Dominion Home Rule in India to be able to carry on without a change of functions and without a change of powers? It is notorious that one of the difficulties that the Civil Service have to face at the present time is that already under diarchy itself their powers and their functions are no longer what they were, and their difficulty is that whereas before those reforms they were the masters of India, now insensibly they are bound to become the servants of the new governments, the new parliaments, the new councils of India, and when the Assembly has complete self-government then it is inevitable that the whole status of the Civil Service in India must change and the Civil Servants in that country will be even as the Civil Servants in this country, the servants of the Government and not the masters of the country.

The best of the British officials in India (Colonel Wedgwood maintained) realised that they were doing their finest service to their mother country when they assist towards the process of their own extinction. They know quite well that the best service they could render was to make easy and not difficult a transition which must inevitably dethrone them from their power. Besides obscuring at any rate, if he did not eclipse, the famous Declaration of August, 1917, the Prime Minister went on to offer threats of the withdrawal of the diarchy reforms. He pointed out that it was an experiment from which there could be no possible going back under any circumstances. The Prime Minister pointed out the danger that every person



interested in Indian questions had seen all along the danger that non-co-operation might cease and that the non-co-opepator might go on to the councils. To his (Mr. Wedgwood's) mind there had been no more lamentable blunder made by the Indian people than the refusal under the leadership of Gandhi to go on to the councils. They were told almost with regret that non-co-operation had collapsed.

Mr. Lloyd George : With regret ?

Colonel Wedgwood : Almost with regret.

Mr. Lloyd George indicated dissent.

Colonel Wedgwood said he was very glad it was not. They were told that it would be a sign of failure if when these Non-co-operators went on to the Councils they conducted themselves in an obstructive manner and did not co-operate with the Government. The Labour party wanted them to go on to the Councils and the Assembly to form part of the Opposition to the Government until they could become the Government themselves. That was the ordinary constitutional development. It might involve obstruction, but it was only in that way that they would finally acquire the wisdom to carry on successfully democratic constitutional Government. To say, as he read the Prime Minister's speech, that if the Non-Co-operators went on to the Councils and conducted a campaign of opposition to the Government at present in power they would be regarded as bringing the reforms to nought as a failure which was to justify us in withdrawing the whole of the diarchy, seemed to him to be a most unfortunate threat and a threat which as a matter of fact it was quite impossible to carry out. He hoped that they were not going to have a change from a perfectly steadfast, settled policy to a policy of alternate threats and concessions. That, indeed, would be fatal in India as it had been in Ireland. The only chance was that the Prime Minister as well as the Secretary for India had definitely in view the same goal, namely, Dominion Home Rule although that Dominion Home Rule would unseat from their power at any rate the present Civil Service.

Colonel Wedgwood emphatically repudiated any suggestion that he was held in favour by the extremists in India, the fact being, he said, that nobody was so much hated by them as the man who like himself tried to erect a bridge between Indians and Englishmen. (Hear, hear). It was essential, he continued, to have a contented Civil Service, but he could wish when we came to discuss this question that we should give as much importance to the question of a contented India. With only one or two exceptions all the speeches in this debate had dealt solely with the Civil Service. That was not worthy of the House of Common, for after all the Civil Service



existed for the country and not the country for Civil Service, and he feared the impression would be given that the interests of Englishmen, so far as India was concerned, were solely wrapped up in the status of our fellow-countrymen in India. He believed that would be a profound mistake. (Cheers)

**Sir D. Maclean** (Peebles, L.) said that he was unable to take the same tragic view of the speech of the Prime Minister as Colonel Wedgwood had done. He hoped also that his speech would not give the people in India the impression—which would be a most harmful impression—that the Prime Minister of this country, speaking with great responsibility in the House of Commons, threatened the people of India (Cheers.) That, he thought, would be most mischievous impression to get abroad, because, after all, however they might differ from the Prime Minister, he was the chief officer of the Crown, and occupied a position of very great responsibility. The view he (Sir D. Maclean) took of the speech was this : that the Civil Service in India were discharging their duty in a time of transition of exceptional difficulty and trial ; India, as a whole, was seething with internal difficulties—like almost every other nation—and there was being carried on there a most remarkable experiment. There was the commencement of a great attempt which they hoped would be successful.

He felt that they ought to exercise very great care and responsibility in such a time as this as to the criticisms they made and the advice they tendered. (Hear, hear) He regretted some of the things said by Sir W. Joynson Hicks, which, he thought, lent colour to Colonel Wedgwood's criticism that the basis of the debate was not so much the well-being of India as the well-being of the Civil Service. He accepted fully the aphorism of his hon. and gallant Friend that the Civil Service existed for the country, and not the country for the Civil Service. (Mr. Lloyd George—"Hear, hear.") He had not read a note of threat or the shaking of the fist in the Prime Minister's speech. There might have been a little of the touch of the steel, but he did not gather it. It seemed to him to be an effort to let the Civil Servants know that in this exceptional time of trial we, their countrymen here, realizing their trust and our trust, were sympathetic with them, and desirous of remedying their grievances. (Cheers, Mr. Lloyd George nodding assent.) He thought that there was a case for impartial inquiry, with Indians themselves on the inquiry. He thought it his duty to say that while they sympathised with the Indian Civil Service, they were determined to see that full trust was given to that great experiment, and that it should not be withdrawn or discouraged. It was impossible to stop progress in India. It was a world movement. He hoped,



for a better state of things, and if they were wise and restrained in their language, he was convinced that the time would come when this vast dominion would perform an even better and noble part in the British Empire. (Hear, hear.)

Earl Winterton, Under-Secretary for India (Horsham, C. U), said that the accusation which Colonel Wedgwood made against the Prime Minister had already been answered by Sir D Maclean (Mr. Lloyd George.—“Hear, hear.”) His right hon. friend, as every one except the hon. and gallant member realised, had merely pointed out the difficulties of what was admittedly a great experiment, (Mr. Lloyd George nodded assent). It was never suggested in 1919 or in 1917 that the scheme was not an experiment. To read into the Prime Minister’s speech a threat to India was to make a most mischievous accusation (hear, hear), which might have serious effects in India, and as representing his noble Friend the Secretary of state, he gave it a most complete and unqualified denial. It was quite obvious that Colonel Wedgwood, so far from believing in co-operation between the British race and the Indian race, was in favour of the complete annihilation of British rule in India. The lines on which the Government had always proceeded in this matter were entirely different. They had appealed for co-operation, and, to a great extent, had received that co-operation. But the efforts of the Government in that direction were not helped by Colonel Wedgwood’s speech, which, so far from advancing the purpose which all men of good-will in this country had in hand, would have the effect of putting it back. We had given India the tools of practical statemanship; it was now for India to use those tools, which were sealed with the impress of British good-will towards India—no mean guarantee for the good of any tool. (Hear.) hear.) It was open to India to show her capacity and good will to use those tools. That was the task which India had before her, and the task in which the British Government and the Secretary of State for India would assist to the fullest possible degree, but that task would not be assisted by Colonel Wedgwood’s speech. (Cheers)

[N. B. Details of the agitation in India which followed this debate will be found in the next issue of the Register. Immediately after the debate a deputation of Moderates waited upon the Viceroy on the language used by Mr. Lloyd George. The Viceroy, however, fully endorsed the Premier’s views and repeated the experimental character of the Reforms. See also pp. 673—686.]



# The O'Donnell Circular

The following is the full text of the memorandum sent by the Hon'ble Mr. S. P. O'Donnell, C.I.E., Secretary to the Government of India to all Provincial Governments on May 30th, 1922—on the basis of which the reactionary "Morning Post" thought fit to demand the recall of Lord Reading and out of which arose the Die Hard agitation in England on behalf of the I. C. S.

As the Government of . . . . . are aware, the question of recruitment for the All-India services was debated at some length in the Legislative Assembly on February 11, 1922, when the following resolution was adopted :—"The Assembly recommends to the Governor-General in Council that enquiries should without delay be inaugurated as to the measures possible to give further effect to the Declaration of August 20, 1917, in the direction of increased recruitment of Indians for the All-India Services and also that steps be taken to provide in India such educational facilities as would enable Indians to enter the technical services in large numbers than it is at present possible".

## Object of the Memorandum.

The Secretary of State has agreed that Local Governments should be consulted on the issues involved in this recommendation and has requested that ultimately the views of the Government of India should be set out in a reasoned despatch for his consideration.

I am now to enclose an extract from the Legislative Assembly debates which contains the report of the discussion on February 11th, 1922, and to invite the particular attention of the Government of . . . . . to the statement by the Hon. Sir William Vincent in which a number of the more important aspects of the problem were touched upon.

The Government of India recognise that the decision on this question is of fundamental importance to the future well-being of India. They observe further that the declared policy of His Majesty's Government to provide for the increasing association of Indians in every branch of Indian administration was placed by Parliament in the forefront of the preamble to the Government of India Act of 1919. The position of Parliament in this respect was explained in paragraph 7 of the report of the Joint Select Com-



mittee. In that paragraph it was clearly indicated that the time and manner of each advance in the increasing association of Indians in the administration, no less than in the progressive realisation of responsible government, can be determined only by Parliament upon whom responsibility lies for the welfare and advancement of the Indian people. It was also made clear that His Majesty's Government must remain free to appoint Europeans to those posts in the services for which they are specially required and qualified. The question is therefore one which must be decided by His Majesty's Government and I am accordingly to observe that though the presentation of it in the speech of the Hon. Home Member may appear to point to particular conclusions, the views expressed by him were of necessity based only upon particular aspects of the case which had been considered by the Government of India. The Government of India had not the opinions of local Governments before them and, in considering the many and difficult issues which have to be determined, they do not in any way regard themselves as precluded from modifying any provincial views he expressed should such modifications seem necessary in the light of information received from local Governments.

The existing orders regarding the percentage of European and Indian recruitment in the various All-India Services embody a decision which has recently been reached. They were based upon the conclusion of the Public Services Commission and the consideration urged in the report on the Indian Constitutional Reforms. The view underlying them was that, so far in the future as any man can foresee, a strong European element will be required in any of the public services in India and that, though the utilities and the functions of European Officers may undergo a gradual change, the continued presence of English officers is vital to the successful issue of the policy of making the people of India self-governing. They assumed, accordingly, that the essential characteristics of the administration would remain unchanged and they provided in consequence only for such an increase in the number of Indians in the All-India Services as it was thought would be merged in them without altering their whole character.

It may be argued with great force that if the question were now to be decided by the application of the same it is certain there would be no adequate ground for modifying these orders in the interests of efficiency and integrity.

It is undeniable that the stability and ordered progress of India have hitherto been dependent on the assistance and the efforts of European officers and it may be held that the recent advances in the direction of responsible government have but accentuated the



need for their services. India has taken only the first steps on the road that leads to full self-government. That road is beset with dangers and obstacles and her ability to traverse it successfully may be imperilled if she discards too rapidly the guidance upon which she has so far leaned. Nevertheless, it is impossible to ignore the changes that have recently occurred : the emergence of new factors and the enhanced importance that is now attached to considerations which, though always present, were less prominent and less urgent a few years ago and it may be that these new developments render necessary a revision of the decisions previously adopted. Of the arguments that may be advanced in favour of radically modifying the existing policy the following would appear to be the most important :

(i) It may be difficult in future to secure for the Imperial Service recruits of the same class as have been forthcoming in the past, and any substantial falling off in the quality of European recruits would obviously reduce *pro tanto* the case for a strong European element. The attractions of service in India have undoubtedly diminished in spite of the recent revisions of salary and of leave rules ; the financial advantages are no longer what they were 25 years ago and on the whole, and even after allowance is made for the world-wide fall in the purchasing power of money, they probably compare less favourably than formerly with the terms obtainable in the Civil Service of England and of the Crown Colonies. Moreover, the prospects of promotion to posts above the time scale are more doubtful. Persistent demands are being made for the abolition of many of these appointments, and their continued retention cannot be regarded as assured. Again, in so far at any rate, as the Indian Civil Service is concerned, the whole tendency of the reforms and *a fortiori* of any further constitutional advances that may be in store is to reduce the status of its members to that of purely executive officials. The Civil Servant of the future cannot expect to play the same part in, or to exercise the same influences over, the administration of the country as has his more fortunate predecessor.

Many, too, of the most attractive of his former functions, such as those connected with sanitation, education and the general development of district or town, have already been made over to bodies fully divorced from his control. Lastly, the impossibility of foreseeing the character or the effects of further changes in the condition of the central and provincial Governments and the many evidences of racial hostility which have unfortunately accumulated during recent years may deter many promising candidates from the adoption of an Indian career. It is doubtful whether these considerations are fully realised in England, but any advantages that may accrue thereby to the Government in respect of the quality of



recruits secured may be more than offset by resentment and discontentment if expectations are disappointed.

#### Demand for Indianisation

(ii) The demand for Indianisation of the services is older and perhaps even more insistent than the demand for self-government. It is also more difficult to resist. Nothing can be more inevitable and legitimate than the desire of Indians that the services should be manned by men of their own race ; and this natural sentiment is reinforced by financial considerations. The scales of pay which must be paid if Europeans are to be obtained for the services are higher than those in force in any other State, and in a country whose financial resources are as narrow as those of India, can be defended only on the ground of necessity. That the price has hitherto been worth paying need not be denied, but as education spreads year by year and as in consequence the supply of competent Indians increases the continued retention of so costly an agency will be harder to justify, at any rate theoretically, and the demand for the substitution of less expensive indigenous services will acquire added force. If the services were Indianised and if, as for the reasons indicated below would appear to be inevitable in that event they were also wholly or largely provincialised, the existing scales of pay could be greatly reduced. It is a mistake to suppose that the difference between the cost of the European officers and that of the Indian officers is represented by the present overseas allowance.

The real difference is, in fact, far greater and it seems possible that as much as one-third of the pay drawn by the European officer might properly be debited to that head. Moreover, the attitude of the Indian Legislature has already been made clear. They are pressing for the rapid Indianisation of the services.

(iii) Officers entering the existing services are entitled to remain in these services for periods which in practice range on the average from 25 to 30 years. It is at least possible, however, that 20 or 15 years hence the conditions in India will be such as to render undesirable or impracticable the retention of a large number of European officers, and if, therefore, the recruitment of Europeans on the present scale is maintained the Government may eventually be faced with the necessity of retiring a great number of officers and of paying to them heavy sums by way of compensation.

(iv) At present large majority of the members of each of the All-India services are Europeans. The presence of a substantial European element is thus assured for many years to come in the Indian Civil Service. In particular the proportion of Indians (including officers holding listed posts) is only 12 per cent, and even with the complete cessation of recruitment a period of some 12 years



must elapse before the Indian element can rise to 80 per cent. The abandonment of European recruitment will not therefore mean that the country will, in a short time, be dependent entirely on an indigenous agency. For years at least, if not for more, the services will still contain a substantial proportion of Europeans sufficient perhaps to provide the necessary leavening and to ensure the maintenance during the transition to entirely Indianised services of real administrative standards and should circumstances so necessitate the whole position could be considered before the expiry of this period.

Moreover, in the case of the technical services at least any shortage of Europeans that might at any time become apparent could probably be met by recruitment on short term contracts.

(v). These arguments have been stated in the form in which presumably they would be presented by those who advocate the adoption of a new policy.

#### Arguments Against.

It is essential, however, that the assumptions underlying them, the qualifications to which they are subject, and the counter-arguments should not be overlooked. Thus :—

(a) In estimating the attractions of service in India in the future it should not be forgotten that it is the men now in the services who are naturally the most inclined to compare disadvantageously the present and future conditions of their services with those that obtained in the past. The question, however, cannot be regarded exclusively from their point of view in the case of future entrants into the services. It is not impossible that, if difficult conditions as regards employment continue to be felt in England, the Dominions and the Colonies, the time scale of pay and the pensions of the Indian services may prove an attraction sufficient to induce the right stamp of man to expatriate himself from England for a considerable portion of his life and elect for service in India. Again, whilst in general the effect of the reforms and of future constitutional advances on the character of the work of Civil Servants may be as stated in paragraphs above, it is the opinion of some that in the Councils and Assemblies the burden of voicing, guilding and justifying policy will often fall on the Civil Servant and will offer as stimulating a field of intellect and character as almost any of the duties which fell to his lot under a more bureaucratic form of Government ; and even in the sphere of district administration, although local bodies are no longer under the control of the district officer, it is probable that in technical matters, in conflicts of communal interests and in cases where large sums of money are involved, his advice will for many years be freely sought.



**Racial Feeling:**

Finally, while the existence of racial feeling at the present moment is undeniable it cannot be assumed as axiomatic that such feelings will persist or increase. It may prove to be no more than a temporary phenomenon which will pass away with the disappearance of the special conditions that have given rise to it. Europeans employed in Indian States, it is understood, do not find the atmosphere inimical to them and many occupy in these administrations a position of peculiar privilege and regard.

(b) Although at the moment the Indian Legislatures and the educated classes are demanding the complete and rapid Indianisation of the services it does not follow that such will continue to be their attitude. The class of communal interests may eventually lead to a just appreciation of the importance of retaining in the executive a substantial proportion of European officers who will stand apart from and be unaffected by Indian class interests.

Whilst even with the complete cessation of further recruitment the presence of a substantial European proportion is doubtless assured for some years, the risks inherent in any such step must not be ignored. In particular the probability that if a stage was ever reached when Europeans would only be found in limited numbers in the higher grades of the service and it was then found necessary to reconsider the position, the reconstitution of the services would be difficult and the absence of a trained European element in the lower grades would seriously embarrass the Government.

(vi).—The Government of India will reserve their own conclusions till they have received and considered the opinions of local Governments. The problem is one of great complexity. A just conclusion can be reached only if account is taken of all the relevant factors; and the object of the Government of India is therefore simply to state the case as clearly and as impartially as possible and to draw the attention of local Governments both to the reasons that may be held to justify a radical revision of the arrangements now in force as well as that which may be urged in favour of their retention. They recognise further that there are differences in the functions and importance of the various services and that considerations which may be decisive in the case, for example, of the technical services may not be so in that of the security services such as the Indian Civil Service and the Postal service.

I am now to turn to certain questions that will arise in the event of its being decided that the recruitment of Europeans should be abolished or largely reduced. It seems probable that the adoption of either of these courses will necessitate intensive measures of reorganisation.



(1) The existing system of recruitment for the appointments included in the all-India services was natural and indeed inevitable so long as these services were composed almost entirely of Europeans. The source of recruitment being the same it was necessary to maintain some uniformity in the conditions of service for officers distributed over the various provinces. The system had the great merit of securing similar qualifications and traditions for the higher branches of the public administration throughout India, but the difficulties of retaining it for Indian recruits have already become apparent in connection with the steps taken for the introduction of an enlarged Indian element.

#### Provincialising Posts

The examinations in India for the Indian Police Service have had to be held on a provincial basis, and the practice in the case of the I. C. S. of posting Indian officers to the province of their origin is in recognition of the impossibility of ignoring provincial factors in the recruitment of Indians. Provincial sentiment, it is believed, will be wholly in favour of replacing the all-India services with provincial services and will be reinforced by the argument that, at least in the case of Indians to be appointed in the future, the Legislative Council must have the power to determine the pay and qualifications of the officers who are the executants of their policies.

The Government of India are inclined to think, therefore, that the abolition or any large reduction of the recruitment of Europeans will inevitably entail the provincialisation of the posts for which in future only Indians are to be recruited.

Should provincialisation be decided upon, a further point to be determined is the method by which recruitment for these appointments should be effected. There appear to be two possible alternatives:

- (i) the appointment might be merged in the existing services; or
- (ii) might as soon as a sufficient number have become vacant be formed into separate (and upper) divisions of these services.

The arguments in favour of the latter course, at least in the case of the services, Educational, Forest and Police, are broadly those which have always been held in the Civil Service and Agricultural to justify the existing division of the services into Imperial and Provincial, as pointed out by the Royal Commission on Public Services. Where there is a large quantity of work of a less important character to be done, though of a kind which cannot be performed by a purely subordinate agency, two services or classes of one service are required, since it would be extravagant to recruit officers for the less important work on terms required to obtain officers for the higher class of duties. Further, the inclusion of the higher appointments now borne on the cadre of the Imperial services in the



provincial services would necessitate either the promotion to these posts of senior officers who, as experience in connection with the listed posts seems to show, have been engaged far too long on subordinate duties to be capable of undertaking responsibilities of a more exacting order or the selection for the posts of the best of the junior officers, a course which may be of help to open the door to favouritism and to be the production of much discontent and heart-burning among the senior men. Against this it may be argued that it will be impossible to secure for the large number of appointments in question a better class of recruits than is now obtained for the provincial service, and that, therefore, the simplest and the least objectionable solution will be a single service the higher appointments in which will be filled by men who have served for a somewhat longer period than that which members of the Imperial services are now required to serve in the inferior appointments. The balance of argument appears to the Govt. of India to be on the whole in favour of the two divisions scheme, but they have no desire to prejudice an issue in regard to which the opinions of the local Govts. will be of special value.

There are many subsidiary matters arising out of or connected with the above questions, but it is unnecessary to examine them until the broad questions of principle have been considered and determined.

In conclusion it will be convenient to summarise the questions on which the opinion of local Governments is invited. These are:—

1 (a)—Should the recruitment of Europeans for the appointments now included in the all-India services be discontinued or largely reduced?

(b) If so, in what services and to what extent in each service?

2—If it is decided to discontinue or largely reduce the recruitment of Europeans:

(a)—Should the appointments for which Europeans are now required to be recruited be provincialized?

(b)—In the event of provincialization being accepted, should the appointments:

(i) be merged in the existing services, or

(ii) be formed into separate or upper divisions of the provincial services?

The Government of India realise that local Governments will require time to enable them to formulate their conclusions regarding these difficult and important questions, but they would be glad if they would arrange to complete their examination as quickly as practicable and therefore to forward their considered views with as little delay as possible.

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# The I. C. S. Revolt.

The following letter, which appeared in the Anglo-Indian Press was addressed to the Secretary of State for India by the Central Provinces and Berar Association of European Government Servants through H. E. Sir Frank Sly, (Governor of the Central Provinces), and the Governor General of India in Council :

*Nagpur, August 18, 1922*

My Lord,—My Association respectfully directs your Lordship's attention to the Government of India's letter No. F-120 (Estts) dated May 30th. 1922, on the subject of the stoppage of recruitment in England for the Imperial Services. There is nothing in the letter to indicate that the Government of India attach any unusual significance to what are, in fact, questions of vital importance. On the contrary these questions are propounded as ordinary administrative problems, and it is the manner in which they have been raised, as much as their substance, which cannot fail to alarm those who support the reforms so recently introduced and who understand that India can only attain full responsible self-government by stages. The letter reveals as though by a flash of lightning the imminent approach of a danger so grave that it threatens not merely the success of the reforms but the safety of India and the integrity of the British Empire.

## **Sacrificing Old Servants.**

2. My Association cannot, on this occasion, discuss the subtle methods by which the prestige and prospects of Englishmen now in the service of the Crown in India have been ruined and their present position rendered intolerable. But if the case for the Imperial Services is to be stated with candour, then it must be said that not a vestige of practical sympathy and understanding has been found either in Simla or, until quite recently at Whitehall. Whatever the reasons for it may be, the fact remains that the claims of the Imperial Services in India to just treatment remain neglected. It must be submitted for your Lordship's consideration that the spectacle of a Government prepared to sacrifice its old servants on the alter of new Councils is not one which can encourage.

## **Honest Recruiting Impracticable**

3. The Government of India approach their subject from two points of view. On the one hand, they must fill essential posts



in an existing administrative organisation. On the other, they are strongly attracted by the expediency of meeting present political demands. My Association does not propose to examine in detail the various arguments set forth for and against the stoppage of recruitment in England. Indeed, such an examination would be superfluous, for one of the considerations set forth in the letter leaves no room for arguments. It is a melancholy fact that suitable recruits for the service of the Crown in India are now obtained with great difficulty and in insufficient numbers, and this at a time when the demand for employment among all classes is extraordinarily keen, and unless a very material improvement in the status, pay and pensions of the Imperial Services is made in the immediate future, there is a grave risk amounting almost to a certainty that the supply of suitable recruits will be entirely cut off. It is undoubtedly a knowledge of the disabilities and grievances under which the Imperial Services in India are laboring that has led to the present shortage of candidates from the public schools and universities of England and I am to point out to your Lordship that a perusal of the letter now under reference has intensified the apprehensions of existing members of the Imperial Services. In particular, they fear that when India is administered by services which are wholly Indian, the necessary provision for the pensions of Englishmen will not be forthcoming. Until, therefore, an immediate and assured improvement in the conditions of service, and in the security of tenure and of pensions can be made, the members of my Association must, with extreme reluctance, support the proposition that at present the continuance of recruitment in England is impracticable by means which are honest.

4. My Association desires, however, to lay before your Lordship certain considerations which seem to have escaped the Government of India's notice. In the first place, that Government appears to assume that recruitment once interrupted, may be resumed at will. My Association submits that this is not so. So far from being able to withdraw what will be taken as a concession, the Government of India will be engaged in the consideration of requests for still further concessions. Indeed, it is not too much to say that once the recruitment of Englishmen has been stopped a resumption of such recruitment will not be within the sphere of practical politics until a situation has arisen in which the need for a strong English element has become necessary in the interests of peace and order. In other words, a resumption of recruitment in England must be preceded by grave disorder in India. In the second place, the stoppage of recruitment in England will stimulate the retirement of present members of the services. Their work will be carried on under still



more difficult conditions, and in greater isolation. My Association is in a position to assure your Lordship that the resulting weakening of the European element will be far more rapid than the Government of India anticipate. Thirdly, even if recruitment in England could be resumed at will there would be a gap in the ranks of English officials corresponding in size to the period during which there had been no such recruitment. The services would then consist of a small body of senior men and a few untrained cadets, and the Government would be without young and energetic officers trained in their duties. The personnel of the services would be hopelessly deficient in the very element which the conditions necessitating a resumption of recruitment would demand.

#### Disappearance of the English in 20 Years

5. My Associations' Chief motive in addressing this letter to your Lordship is to invite attention to certain broader aspects of the problem for which the Government of India's letter finds no space. If the recruitment of Englishmen is stopped now, the English element in the Services will, within a period of about 20 years, be so reduced as to be almost negligible. It must be admitted that one of the central features of the reforms is the complete Indianisation of the Services. But it is fundamental to the reforms that the process is to be a gradual one, carried out under the guidance of the Imperial Parliament, with the active assistance of Englishmen in the service of the Crown in India. The promoters of the reforms regard the retention of a predominating English element in the Services as essential to their successful development. The advance is to be made by a series of decennial overhauls of the constitution, and the whole process is to be spread over a series of decades. It is for Your Lordship and for Parliament to consider if the process can be completed in so short a period as 20 years.

6. Without in any way desiring to minimise the progress that India has made politically, socially and economically during the last two centuries, my Association desires to impress upon Your Lordship that she has still not attained that degree of unity which is essential in the conduct of her affairs as a nation, and that it is very doubtful whether she can attain it in 20 years. My Association also desires to point out that India is still subject to external aggression as she has ever been. If these propositions are accepted, it follows that the premature withdrawal of the English Services must lead to internal disorganisation, which, in turn, will inevitably invite aggression from without, culminating in an exhausting war in which England, however unwilling, will be forced to participate.



7. It is not necessary to give a detailed survey of the history of India to show that powerful forces of disintegration have existed in this country in the past. Before the establishment of English rule, India has only once or perhaps twice approached the conditions of a united State. Under Chandragupta and Asoka the Maurya Empire consisted of outlying provinces attached to the royal nucleus by ties of varying strength. The Moghal Empire, a foreign domination, was short-lived, and the decay of its central authority under Aurangzeb at once let loose the forces of anarchy and disintegration. It is significant that the Chief Indian competitors in the struggles for territory did not confine themselves to the establishment of what could be termed "national" States. The Muhammadan Powers of Southern India and the Maratha Powers to the North of Nerbudda were as foreign in the countries they conquered as the English. Without entering into the questions of legitimacy of title between the various contesting powers, it can at least be asserted that the English had the distinction of having the desire and the power to set up a regular administration and to maintain a *Pax Britannica*. As Sir James Stephen wrote :

"The English in India are the representatives of a belligerent civilisation. The phrase is epigrammatic but is strictly true. The English in India are the representatives of peace compelled by force. This belligerent civilisation consists in the suppression by force of all pretensions to tyranny and in compelling by force all sorts and conditions of men in British India to tolerate each other. If the British Government abdicate its functions, it would soon turn order into chaos. If the vigor of the Government should ever be relaxed, if it should lose its essential unity of purpose and fall into the hands either weak or unfaithful, chaos would come again like a flood."

It has been agreed that a hundred and fifty years of peace and the growth of a spirit of Indian Nationality have eradicated the innate forces of disunion, but I am to submit that nothing could be farther from truth. My Association desires to lay before Your Lordship a short account of some of the more important disintegrating elements in the Indian body politic.

8. Nearly one-third of India with more than one quarter of its population, consists of Native States or their subjects under the control of Indian Princes with varying degrees of independence. The majority of these States had their origin in military despotism and many have retained their military traditions unimpaired. Some of the larger States maintain armies whose military spirit and effectiveness have been enhanced by participation in the Great War and their military organisations now show a degree of efficiency never previously approached. Several Princes look with feelings



akin to desire eat the rich territories which at one time or another formed part of the dominions of their ancestors. India contains many "Terre irridente." Many of the smaller States were at one time under the suzerainty of the larger and are now maintained in their semi-independence by the power of the Crown. It is not too much to assert that if the Central power, which is the English Government, were seriously weakened some at least of these claims would be asserted. One single conflict of arms between two powerful claimants would light a conflagration that would rapidly sweep through India.

9. It is generally conceded that a national people must possess in some degree the three characteristics of 'common race,' 'common religion' and 'common language.' It would be difficult to find a country in which these characteristics are more conspicuously absent than India. The aboriginal stocks of India have been inundated by successive floods of Aryans, Arabs, Turks, Persians and Moghals. The successive waves never coalesced and India is now inhabited by a medley of races even more divergent than the jarring peoples of Europe.

10. As regards religion, leaving aside minor but nevertheless irreconcilable religions such as those of Sikh, Parsi, Jain, Buddhist and Christian, the great bulk of the population is divided into Hindus and Muhammadans, the antagonism of whose religious tenets is more provocative of bloodshed than the sectarian differences of the Catholics and Protestants in Ireland. The ancient hostility between the two great religions frequently manifests itself over the ceremonial slaughter of kine by Muhammadans, and in the Central Provinces the introduction of certain regulations to restrict the slaughter of cows framed at the instance of a Hindu majority has evoked threats of violence from the Muhammadan minority. The "Taj" of Jubbulpore whose editor is a local leader of the Khilafat party and an exponent for the Hindu Muslim entente has thus written:—

"The Hindu Ministers of moderate persuasion are bound to flout the religious sentiments of the Mussalmans. They are trying to delude the Hindus that they have resorted to such action with a view to protect cows but in fact they have done so merely to encourage their slaughter in large numbers. The religious conviction of the Mussalmans is that no power—especially a non-Muslim power—on earth can prohibit anything that has been allowed to them by God. The prevention of the slaughter of cows and all milch animals including camels below 9 years by means of an enactment only promotes the Mussalmans to disregard such rules and to respect and honour the divine laws in preference to those framed by the rulers or the land. Our Non-Co-operating Hindu brethren



are now on their trial. If they be true Non-Co operators they will help the Mussalmans at this juncture and co operate with them in their protest against the action of the Government. If however the religious susceptibilities do not allow them to do so they should observe silence and should not be offended if, in defying these rules, the Mussalmans slaughter cows and other animals. They should rather blame the Hindu Ministers who by framing such rules have provoked the Mussalmans."

11. Sir George Grierson has enumerated and described 98 distinct languages with 550 distinguishable dialects in India. Even in the Central Provinces there are 18 languages and 80 dialects. An attempt is being made to turn Hindi into a common 'lingua franca' for the whole of the Peninsula and Congress patriots shout for Hindi when a speaker addresses them in English. Nevertheless in spite of Mr. Gandhi's adult studies in Hindi he finds himself compelled to speak in English and to conduct his paper in English when he wishes to reach the minds of his variegated following. There is only one language spoken in India which contains a word to express the conception of a native of India and that language is English.

12. To the confusion of race, religion and language which India exhibits in a unique degree there must be added the further powerful disintegrating factor of the caste system. Even those groups which enjoy a common race, religion and language are split up into mutually exclusive and frequently antagonistic organisations. Inter marriage is forbidden; social intercourse is severely restricted and certain castes have to undergo ritual ablution at the mere touch or the passage of the shadow of their fellowmen.

#### "Unity" and Weak Government

13. Prior to the establishment of English rule the conception of an Indian nation had not occurred to the mind of any one. The establishment of a unified administration supplied the opportunity, and the inculcation of English political doctrines taught in the schools and colleges supplied the impulse for the growth of the spirit of nationality. With its development the inevitable consequence followed—a growing feeling of shame and resentment in the minds of many of the educated classes at the dominant part played in the administration of the country by a mere handful of men foreign to them in every essential tradition. There never was a country and never will be one in which Government by foreigners can be popular and this is a fact which must be faced frankly and honestly. But to face it is not to admit that it is the only consideration, for a premature withdrawal would mean the cessation of the process of education and the destruction of the nascent spirit of nationality.



It cannot be disputed that India is being swept by strong waves of anti-British feeling. Their surge has carried Indians of widely different religions and races on to what superficial and doctrinaire observers imagine to be the solid ground of nationhood ; but what has in fact happened is that the war and the reforms and the weak Government have seriously disturbed the "Pax Britannica in India." The Muslim has not yet resolved to be ruled by or to rule with the Hindu ; the Maharashtra has no intention of submitting to Government by Sikhs, nor less will the Brahman concede to men of inferior castes, any social and political rights to which he aspires. A cloak of political unity is provided by a common belief that the days of English supremacy are numbered. Wearing that cloak the politician poses as an Indian nationalist and is ready to discard it as soon as English authority has been destroyed. He will then reveal himself as a Sikh, a Bengali, a Maratha patriot, or a champion of Islam. The outlook of England has probably been changed by the war, and it is certainly true that Indian respect for English authority has been profoundly affected by the prolonged struggle of the war and the vacillations that have followed. To suppose, however, that India has been transformed as if by magic into one country and a single nation, within measureable distance of ability to govern and defend itself is a radical mistake.

14. On the assumption that India is granted autonomy in the near future and the Services are all Indianised, three forms of Government are theoretically possible. There may be (1) a co-operative central Government or (2) a central Government controlled by one dominant element or (3) no central Government at all. As regards the co-operative Central Government, the difficulty of its composition at once arises. "If all the English were to leave India", asked Sir Syed Ahmed Khan, "who would be the rulers of the country ?" In the absence of any common tie of nationality, a co-operative Central Government could be little more than the loosest federations, liable to crumble at the first breath of racial jealousy. As regards Government by one dominant element, Sir Syed Ahmed Khan's question is again relevant. Which element in the Indian State could effectively impose its will upon the others ? People of one Indian province are often foreigners to the people of another Indian province, and the manlier race of India could never be governed by the feeble foreigners of another Indian country. Any Government erected by one element would be attacked by other elements, and would be feeble and transitory. It would be unacceptable to all the other elements, and as the probability is that it would seek its own ends the ideal of "Government by the people



for the people" would be much further from attainment than it is at present. The third possibility of no Central Government is unthinkable. India would at once revert to that endemic state of chaos from which it was rescued by English power.

15. So far the considerations set out have been administrative, but the crux or the whole question is not administrative but military. No profound military knowledge is required to understand that the keystone of the Indian regimental system is the English officer. Most regiments are composite, that is to say they consist of companies recruited from men of different races. The system is the result of long experience and has been proved by war. But with the elimination of the English officer, the system must become impossible, and if the Civil Services are entirely Indianised, that officer cannot remain. If, therefore, India is to be self-governing and self-defending, it must be seriously considered what military organisation can replace the Indian Army. Obviously that organisation cannot be a single National Army. Sikhs do not follow Bengalee officers, nor Muslims obey Hindus. It is impossible to imagine a Maratha Army, a Sikh Army, an Army of Pathans and another of Panjabi Muhammadans quietly obeying the behests of a democracy in which the fighting races of the country are in the minority. Democracy in India is possible only under the belligerent civilisation of the English, and when that civilisation disappears nothing but a military despotism will be able to preserve internal peace. Too much emphasis cannot be laid on the fact that the politically-minded classes and the fighting peoples are distinct and essentially antagonistic.

#### Inviting External Aggression.

16. The conclusion is thus arrived at that in its present state of development an autonomous India would be torn by internal dissensions and would be without the bulwark of a National Army. Such a stage invites external aggression. The Indian politician gives himself no time to consider this menace. Mr. Gandhi has pronounced the theory that the Afghan if he invaded India would easily be conquered "by love." Even the most enlightened leaders of Indian opinion dismiss the risk of invasion with a gesture of impatience. "War", they say, "will never be waged against India" or else, "we will deal with the occasion when it comes" or yet again, "our National Army will see to that". Nevertheless the danger is present and very serious. As divided, India always has been subject to external aggression, and the least indication of the weakening of the military power of the Central Government will inevitably be the signal for foreign invasion. Had the Afghans and Waziris not believed that the English in India were so weak as to be



unable to cope with Mr. Gandhi and his revolutionaries, there would not have been the recent frontier wars. How near the dangers of a really formidable invasion are, it is difficult to estimate. There were not many people in England who listened to the warning of Lord Roberts; and of India it need only be said that she is exposed to attack on long frontiers across which armies would be poured without hindrance by sea-power. Behind the frontier tribes and behind Afghanistan, there may be before very long not only a Russia under German influence but Germany herself. In the Far East there is Japan with her growing commercial interests in India and her powerful fleet.

17. If autonomous India were to be attacked in the near future by a powerful enemy England would be faced with a very difficult problem. There are some who would urge that Britain should stand aside, and should conserve her energies for the development of her own "White Empire." But such a withdrawal would not be easy. It would involve the sacrifice of the greater part of her valuable Indian trade, and the loss of much capital and prestige, and it would lead to the ruin if not the extraction of those elements of the Indian population which are peculiarly dependent on the English Government—the domiciled Christian community and the Parsees. Demands for intervention would be made by influential elements in England and the claims of India, based on an association that had lasted for more than a century and a half, could not be disregarded. It is incumbent on English statesmen to make an estimate of the risks attending the waging of such a war. It would be conducted from a base six thousand miles distant with long land communications through a disturbed and disorganised country and with sea communications open to attack at many points particularly through the narrow neck of the Suez Canal, threatened on both flanks by Muhammedan powers. Success would lead to no tangible results for Britain, nor would it ensure the permanent immunity of India. Failure would be disastrous.

18. As a result of these and similar considerations all of which need not to be set forth in this letter my Association submits that an autonomous India, whether within or without the Empire, is an impossibility in the near future. On the other hand, if the British Government is to continue to be responsible for the peace, good order and protection of India, then that Government must be strong. To this end it is clearly essential that the services should contain a strong English element. My Association takes this opportunity of directing your Lordship's attention to a clear exposition of the issues involved, contained in the final statement of the European Association of Calcutta, which your Lordship will find amongst other papers



published in the Government of India's Dispatch No. 1 of 1919 dated March 5th 1919 giving their views on the question raised in the Montagu-Chelmsford Report. My Association endorses the fear expressed by the Calcutta Association that the Government of India "do not realise the difference in difficulty between keeping order in the name of an all-pervading and apparently permanent British administration, and keeping it in the name of a British administration which has narrowed its sphere to a very few reserved subjects, and is understood to be pasting labels to London on its baggage."

19. The purpose of my Association in addressing your Lordship is to lay all the stress within its power on the imperative necessity for caution. The reforms were granted to India as a firsthand step towards autonomy. The new constitution is already being attacked and in canvassing for opinions in favour of the abolition of recruitment for the Services in England, the Government of India appear to be affording support to those who desire that a second step should be taken before the forward foot of the first has been firmly planted. The proposal to abolish the European Services strikes at the root of the reforms. It is hardly necessary to remind your Lordship that the retention and contentment of the Services have been affirmed and reaffirmed as essential to the success of the reforms by the authors, by the Government of India, by the Joint Select Committee of Parliament, by members of His Majesty's Government and by Parliament itself. The proposal to abolish the Services is a direct attack on the very foundations of the fabric and to accept it would soon open the way to further attacks which would inevitably bring the whole structure to the ground. The issue has now arisen between revolution and probable anarchy and that gradual evolution which is the key-note of the reforms. My Association submits that the abolition of the Service is an Imperial matter which should be dealt with by a Royal Commission deriving its authority from Parliament and is not an administrative or local political problem to be investigated by the Government of India. If the reformed constitution is to be amended in its essentials within three years of its inauguration instead of after the lapse of ten years as contemplated by Parliament, then the proposals for the change should be made after a careful and full inquiry into all the factors involved, carried out by a neutral tribunal appointed by Sovereign authority whose deliberations would command universal confidence.

I have the honour to be

My Lord

Your Lordship's most obedient Servant

J. N. DOWNING.



## Interpellations in Parliament

Similar petitions had earlier been forwarded by other I. C. S. Associations to the new Secretary of State. In April last the "Morning Post", the month piece of the O'Dwyer-Sydenham gang, published a memorandum from the Punjab officials to Viscount Peel. These men saw a ray of hope in the dismissal of Mr. Montagu. The general complaint was that the conditions of their retirement on proportionate pensions were inequitable. On the 11th April Lord Sydenham asked in the House of Lords, firstly, whether Viscount Peel would consider the desirability of modifying the form of certificate demanded from officers wishing to retire on proportionate pensions who regard the words, 'I feel unable to serve the Indian Government with advantage to the State' as offensive and degrading, and secondly, whether Lord Peel would institute an enquiry into the grievances set forth in the memorials from the public services in India with a view to regaining the confidence of those services and securing the recruitment of candidates capable of maintaining their high standards in the future. Lord Sydenham stated that the Civil Service was visibly crumbling away and he thought this was as serious even as the widespread unrest and disturbances created by the efforts of Mr. Gandhi.

Lord Peel, replying, promised to give consideration to those matters and declared that he yielded to none in his appreciation of the great services of Indian Civil Servants and the grave necessity of maintaining the position of excellence and high standard of the service. Regarding certificates from officers, Mr. Montagu had sent a dispatch to the Indian Government asking for the re-examination of certificates (see p. 129), and Lord Peel said he hoped to receive a reply shortly and he would then deal with the question as rapidly as possible. As regards officers who did not apply before the 31st March 1924, the dispatch sent by the Indian Government on the 9th February showed that members of the services were to be given an opportunity of testing the conditions brought about by the Government of India Act and by the constitutional developments under it and if, as a result of their experience, they wished to withdraw, they were to be given the right to apply for proportionate pensions. The existing scheme of proportionate pension rights had no reference to any further change in the conditions which might be brought about as a result of further legislation. He trusted this explanation would entirely dispel any suspicion that there had been, or that there was,



a wish to deplete the Indian services of the British element at the earliest date, which was entirely unfounded.

After promising sympathetic consideration to the question of enquiry into the memorials, Lord Peel said he gathered that Lord Sydenham was considering this point largely with reference to the question of future recruitment. Lord Peel stated that he had already acted in this matter and was asking a small committee to advise him privately regarding the steps which could be taken to remove impediments which might be found to stand in the way of recruitment; but he wanted to make it clear that he regarded this method as an informal preliminary, because the issues raised might be wide and complicated, and until they got a comprehensive view of the problem, he was not in a position to know whether it would be advisable to proceed on more definite lines, like a formal enquiry covering the whole scope of the question.

#### O'Dwyer's Letter to the Press

An attempt was also made to rehabilitate the guilty officers of the Punjab in 1919 who had been punished under the Montagu regime. On the 11th April Sir C. Yate asked the Prime Minister if he could give the result of his inquiry into the statements contained in the letter of Sir Michael O'Dwyer to the Press of the 7th November, 1921, complaining of the unfair treatment of officers, civil and military, who took part in suppressing the Punjab rebellion in 1919, and in view of the additional facts brought out in that letter, if he could state what steps the Government intended to take to safeguard the future prospects and to prevent the further prosecution of these officers, British and Indian, who had been so seriously affected by the orders issued in the Government's review of India in 1920,

In reply, Mr. Chamberlain said: I have seen the letter referred to. So far no additional facts are brought to light. His Majesty's Government, after careful consideration of the Hunter Committee's report and the views of the Government of India found it necessary to express disapproval of certain officers' errors of judgment, which in most, though not in all, cases had taken the form of undue severity. In some cases officers who did very good work in a position of great difficulty had to be censured for particular actions which were ill-advised. His Majesty's Government is unable to re-open the enquiry in the case of these officers. It is unfortunately true that, in spite of all that has been done to promote better feeling, a residuum of bitterness remains in the Punjab, which results in manifestations of social and personal enmity against those who took part or aided in restoring order in 1919. Indians, whether Government servants or not, are more exposed to suffer from such



manifestations than British, and it is impossible for any Government to completely neutralise the effects.

Sir C. Yate then expressed the wish that the Viceroy should be communicated with and asked to put a stop to these officers being held up to opprobrium as having been censured for acts in connection with the Punjab rebellion, but Mr. Chamberlain said that he knew that the Viceroy regarded the protection of these officers as a paramount duty.

#### Surplus Army Officers

On the same day, Sir Arthur Holbrook asked whether the Indian Govt. had circularised all the officers of the Indian Army, stating that two-thirds of the total establishment are surplus, and offering those who are surplus a sum of money on condition they resigned their commissions. Sir Arthur Holbrook asked that if this were so, what compensation would be sufficient to ensure that the officers could fit themselves for civilian appointments?

Lord Winterton said that he was not informed regarding the circular, but he was sure the surplus could not have been stated at a figure so wide of the mark. Compensation would be given on the same basis as to surplus officers in the British service except that account would be taken that pay and pensions are higher in the Indian service.

#### Treatment of Political Prisoners

With regard to an enquiry by Colonel Wedgwood as to the differing practices that prevail in various Indian provinces in regard to preferential treatment of political prisoners, Lord Winterton pointed out that the jails were under the control of the provincial authorities. Nevertheless, the Indian Government had not only urged upon the local Governments the desirability of uniformity in the treatment of political prisoners but had recommended that the prisoners sentenced to rigorous imprisonment might not unreasonably receive treatment and privileges different from ordinary criminals.

#### HOUSE OF COMMONS—MAY 1922

The attention of Parliament was drawn to various Indian affairs in May last when the Joint Parliamentary Committee were busy in holding meetings (see p. 208xxi), under Lord Islington to discuss Indian question. The Lancashire members of Parliament kept on a strenuous agitation for securing a modification of the Indian fiscal policy in their favour and a resolution was proposed to be moved in the House on May 10th to secure their end. The



change of personnel in the India office had given them a hope of reversing the Montagu policy, like the Servicemen. On May 9th Sir Charles Yate, in his zeal to maintain law and order, wanted to know what powers were now left to the Government of India in view of the repeal of the Press Act, in "repressing the dissemination of seditious matter and the vilification of Government servants"; whether these powers were considered sufficient; and, if not, what steps were to be taken in the matter?

The Under-Secretary evidently thought it was best that his questioner should find out the answer for himself. So he sent the gallant Colonel a copy of the Act itself, "which", he said, "will answer the first part of his question." He added that it was hoped the powers that remained would prove sufficient. If they did not, it would ofcourse be necessary to consider further action.

"Are any further powers necessary," interjected Colonel Wedgwood, "when you are able to put your opponents into gaol"?

On the 16th May replying to Sir J. D. Rees regarding reports of disagreement between the Home Government and the Government of India in connection with the latter's policy in Waziristan, Earl Winterton said that the two Governments were agreed on the course to be followed in the next few months but that discussion of details in the execution of policy was likely to continue for some time. This discussion had been magnified in some quarters into difference of opinion on fundamental policy which, he said, was not true.

#### Racial Distinctions Committee

With regard to the Racial Distinctions Committee, Sir Charles Yate asked what steps had been taken to secure that nothing was done to abolish the rights of Europeans under the Criminal Procedure Code? Earl Winterton replied that as the Committee had not yet reported, as far as he was aware the question had not yet arisen.

#### Loyal and contented Police

Sir Charles Yate, in view of the great increases in military charges necessitated by frequent calls upon troops in India to aid the civil authorities in maintaining law and order, asked what steps it is proposed to take to secure a loyal, well-paid and contented police force for each province sufficiently strong to meet the growing defiance of authority and to maintain law and order without continually calling on the troops? Earl Winterton replied that despite temporary difficulties he believed there was no material deficiency in the police forces or any need for taking special steps. The use



of troops to assist the civil power had not greatly increased the military charges as the only military charges affected thereby were transport charges which were comparatively small.

#### Europeans in Indian Prisons.

Questions were asked by Colonel Wedgwood with a view to eliciting information with regard to the white men imprisoned in India for trade union or political activities. The Colonel had in mind the cases of Mr. Stokes, the American, and Mr. Miller, the Organising Sec. of the All-India Trades Union Congress and of the North-Western Railway Worker's Union. He wanted to know the name of the "illegal organisation" for belonging to which the latter had been sentenced to four months' rigorous imprisonment. The answer on this point was to the effect that Miller received his sentence not for belonging to an illegal organisation, but for being a member of an "unlawful assembly". As regards the treatment of European prisoners in jail, the Under Secretary stated that they were always confined in separate quarters, and there were separate rules for their treatment.

#### Lala Lajpat Rai.

In a further question Colonel Wedgwood suggested to the Under-Secretary that he should obtain information as to why Lala Lajpat Rai and other political prisoners at Lahore declined to take advantage of the better treatment and food granted to and accepted by political prisoners in other Indian Jails. Lord Winterton put on a supercilious air in regard to this question. He said he did not consider that there was any public interest to be served by inquiring as to the reasons why a particular convict declined a concession.

#### The I. C. S. Hagglng Again.

On 23rd May numerous questions were again put on behalf of the I. C. S. men by the three knights, Sir Charles Yates, Sir J. D. Rees, and Sir W. Davison, all eager to increase the pensions or otherwise to improve the terms upon which these unhappy officials are to be allowed to quit their posts!

Sir Charles Yate said that these men were being badly treated as compared with officials of the late British Government in Ireland! Lord Winterton pointed out that the circumstances were different. The Secretary of State, he said, was not prepared to revise the scales of pension offered which are in fact more liberal than is justified according to a strict proportion of length of service.

On another point, Lord Winterton stated that the proportion of Indians in the Civil Service in 1921 was 13 per cent. and since



then, 38 Indians have been appointed which increases the proportion to about 16 per cent. He repudiated the suggestion of Sir W. Davison that there was an "expressed intention to compensate the Indian Civil Service for the loss of prestige and prospects stated in the Montagu-Chelmsford Report to be inherent in the reforms." Whereupon Sir W. Davison snapped out the retort that there was great discontent in the Civil Service and that unless something was done to alleviate it, there would soon be no British members left at all.

The number of members of the I. C. S. from whom applications for permission to retire prematurely on proportionate pensions had been received by the Secretary of State in Council was 28. Of these, 27 had been sanctioned, and one was under inquiry.

The matter however came to rest on July 5th when Viscount Peel in the House of Lords read out the modification orders made by the Sec of State in Council.

### New Rules for Premature Retirement

The modifications in the order relating to conditions and terms of premature retirement of officers of All-India Services due to the introduction of constitutional reforms were published on July 5th. 1922. The order says : The option given to members of these services who arrived in India for the first time on a date antecedent to January 1st 1920 to retire before the expiry of the 31st March 1924 shall now continue in force and may be exercised until the action proposed to be taken on the report of the Parliamentary Commission provided for by the Government of India Act is known, when the whole position will necessarily be reviewed. Consequent upon this decision the restriction that leave taken in anticipation of retirement must be completed before the 31st March 1924 is also removed. Officers proposing to retire prematurely, if they have submitted a definite application to retire accompanied by the prescribed form of declaration, will ordinarily be allowed before their retirement takes effect to avail themselves of the full amount of leave due to them and which may be granted to them at one time otherwise than on medical certificate. A mere intimation of a possible intention to retire will not entitle an officer to have his application for leave dealt with under these rules. An officer who has submitted an application to retire supported by the declaration, and has obtained leave on the basis of it, will not be permitted to cancel his application and to return to duty without the consent of his local Government.



The most important part of the modification is the new form of declaration which requires an applicant to state: 'In view of the changes in the conditions of my service occasioned by the Government of India Act 1919 I desire to retire on the terms set forth in the orders relating to premature retirement.' Under certain conditions officers retiring prematurely will be permitted with the specific consent of either the Government of India or the Secretary of State in Council, as the case may be, to take up other employment during the currency of their leave preparatory to retirement. The new modification is emphatic on one point; that eligibility to retire on proportionate pension is not an absolute right which accrues. Grant of leave to officers will not be permitted without the specific sanction of the Secretary of State in Council and without an application for retirement. On signature and presentation of the prescribed declaration, the Secretary of State reserves to himself the right to arrange for a combined pension under the ordinary rules on their final retirement, in case of officers who have obtained employment with his permission in other department under the Crown, or to withhold permission to retire or to permit retirement on reduced pension only if circumstances exist which justify this course. Thus, it would not be open to an officer, against whom disciplinary proceedings were pending or in contemplation which might result in reduction or withholding of his pension, to avoid such proceedings by an application for permission to retire on proportionate pension. The Secretary of State in Council will ordinarily on the advice of the local Government postpone the acceptance of resignation of any officer, if such detention could not be avoided without prejudice to the public interest. It is also announced that orders applicable to officers serving in other provinces will also apply to those serving in Burma with effect from the date on which Burma has been constituted a Governor's province.

Another order of the Secretary of State in Council declares that an officer awarded a proportionate pension may be permitted to commute a portion of his pension not exceeding the third of the whole or less in the option of the sanctioning authority, namely, the local Government under which the officer was last employed, or an officer who draws his pension directly or indirectly from Indian treasuries, and the High Commissioner in all other cases. There are exceptional reasons for refusing sanction to the application in whole or in part. If the sanctioning authority considers that such reasons exist the case will be referred for the decision of the Secretary of State in Council. The order next gives details regarding commutation and the rules governing it.



# Debate on the Punjab Tragedy

HOUSE OF LORDS—24TH MAY 1922

In the House of Lords on May 24th. 1922 Lord Sydenham raked up the old controversy on the Punjab horrors of 1919 in order to secure 'justice' to two of the censured Punjab officers. In the debate that followed the Ex-Viceroy Lord Chelmsford, the author of Martial Law in the Punjab, made a lengthy statement which is reproduced below.

Lord Sydenham asked the Secretary of State for India.—

1. Whether the Military and civil officers in charge at Kasur at the time of the Punjab rebellion—Lieutenant-Colonel MacRae, I. A., and Mr. Marsden, I. C. S.,—were censured for "improper and injudicious" conduct *by direction* of the late Secretary of State, by which their careers have been seriously prejudiced. 2. Whether their alleged offence was to order three strokes of the cane to three boys from each of two large schools, the pupils of which had formed part of a violent mob that killed two British warrant officers, wounded several British officers and men, attacked an English lady with her children, and burned the railway station, law courts, and post office. 3. Whether, beyond being examined as witnesses by the Hunter Committee, these officers were ever allowed to offer any defence of their action. 4. And whether, as no condemnation of that action was forthcoming in the Report of the Hunter Committee, while the minority Report recorded the incident inaccurately, the grave injustice accorded to these officers will not be redressed.

Viscount Chelmsford spoke as follows: My Lords, these personal issues are always difficult to deal with across the floor of the House. Your Lordships will naturally and inevitably have sympathy with officers whose actions, done in perfect good faith, have had to be reprobated by the supreme Government. But while Your Lordships have sympathy with these officers, I am sure I can count upon your having consideration for the position of those who are in authority and to deal with the case. In the first place, we had a disagreeable, a distasteful, and a difficult duty to discharge. It was impossible for us to refuse to express an opinion on matters which were disclosed in a public document which had been drawn up at our request—I refer to the Hunter Committee's Report—and I hope to be able to show Your Lordships that it



would be difficult to contend that the Government of India could have come to any other than the decision they came to.

I want now, to come to the questions *seriatim* which the noble Lord has addressed to my noble friend, the Secretary of State for India. I will deal with the first one. I take full and undivided responsibility for the action in this case. The late Secretary of State for India gave no directions whatever to the Government of India with regard to what we were to do as a result of the Hunter Committee's Report; and I strongly suspect that the late Secretary of State for India was unaware of what decision we had come to until we ourselves had informed him from India. I think that disposes of the question which Lord Sydenham has asked, as to whether those officers were censured by direction of the late Secretary of State to the serious prejudice of their careers.

#### An Insinuating Question

I come to the second question, and, if your Lordships will look at it, I think you will realise that it has been couched in terms of prejudice. What I mean by terms of prejudice is this. It has been put in such a way as to make it appear as though after these very serious outrages at Kasur this slight punishment was the only action taken for the punishment of those who were guilty of those outrages. May I tell your Lordships straightway, as regards the outrages at Kasur—I speak without the book, because I have not got the exact details—that to the best of my recollection there were six or more men executed in respect of the murder and murderous assaults. (Viscount Peel :—I will give the figures.)

That will relieve me greatly. There were many imprisoned and, as a matter of fact, some boys who were found guilty of taking part in these outrages were arrested and were sentenced. To continue the story with regard to this particular school, there were difficulties in this school, and the headmaster said that he was not able to manage the school. Then it was suggested by the Deputy Commissioner, Mr. Marsden I think, to Colonel Mac. Rae, who was in charge of Marial Law in that district, that certain boys should be picked out for punishment. The evidence of Colonel MacRae, was as follows:—

“Q.—Then on the 18th some schoolboys were flogged, and you gave directions that the biggest six boys were to be selected for that purpose? A.—I said, ‘Generally speaking, take the six biggest.’ The misfortune was that they happened to be big.

“Q.—It was irrespective of whether they were innocent or guilty; because they were big they had to suffer? A.—Yes.

“Q.—Do you think that is a reasonable thing to do?

“A.—Yes, I think so, under certain conditions.

“Q.—It was a mere accident that a boy being big should invite



on himself punishment? A.—It was his misfortune. Q.—His misfortune was that he was big? A.—Yes.

When we had this case before us on the Commission's Report we took no exception as a Government to the fact that punishment was inflicted, but what we had to consider as a Government was whether we should, as a Government, say that vicarious punishment, arbitrary selection of certain boys irrespective of whether they were innocent or guilty, was a thing upon which we could express opinion, we informed the officers that we thought their action was improper.

I notice that the noble Lord, Lord Sydenham, has quoted in his question the words "improper and injudicious." I am not sure whether it was. I noticed that the Lord Privy Seal, in another place referred to some of these actions as ill-advised. Whether they were improper, or injudicious, or ill-advised—I do not know what epithet you are to apply to vicarious punishment—I should like to say that no other penalty was imposed at all on these officers. We merely told them, as a matter of course, that we thought the action they had taken was improper. When you put yourselves in the position of a superior authority, I doubt whether it can be seriously contended that the method of vicarious punishment can ever be right or wise, and if it is wrong I do not think that the epithets which have been applied to it were really misapplied.

Now, may I say a word on the third question of the noble Lord which really deals with the procedure which was adopted in the case? I must frankly state at the outset that I am unable, of course, to trace this case from the very beginning; I can only speak of my own knowledge when it appeared before me. But the ordinary procedure in a case like this would be that all the reports and all the documents in the case would be examined in the Home Department. The head of the Home Department would then make a recommendation upon the action that he thought should be taken in the case. Now I can say that I assume that was the case. As to whether these officers were seen or not in the Home Department, I cannot tell Your Lordships of my own knowledge; I can only say that all the reports—their reports probably—and documents in the case would have been examined in the Department. Then the Home Member would make his recommendation, and that would come up to the Viceroy and the Viceroy would order—as I ordered then—that the recommendation with all the papers should be circulated to the different members of Government. Then they would have an opportunity, each one of them, of expressing their opinion upon the case.

When that procedure had been completed we should take the case in Council. I recollect very well that these cases were very



carefully considered in full Council and at great length. When we came to a decision, that decision was communicated to the local Government in the case of Mr. Marsden, and to the Commander-in-Chief, who would communicate the decision of the Government, in the case of Lieut-Colonel Mac Rae, to that officer. Looking back at some of the papers I have, I note that the decisions in these cases were not made public until February 19, 1921—last year. I am positive that we came to a decision in this case in the previous year, and probably fairly early in the autumn, for this reason, that I know they were adjudicated upon by Sir George Lowndes who was then my Law Member, and he left on December 31.

As soon as the decisions in the cases were communicated to the officers in question it was open to them at once, long before any publication was made, to appeal to the Government. They could have appealed either to the Governor-General in Council, in which case we should certainly have heard them; and if they had appealed to the Governor-General in Council and had not received satisfaction, they would have had their personal appeal to me. As regards the first course, though I cannot charge my memory with it, I am not aware that they even appealed to the Governor-General in Council. I cannot charge my memory with that at all, but I am absolutely positive that they made no personal appeal to me. And I can say for myself that during my five years of office as Viceroy I never refused a single application, on the part of any officer who thought he was aggrieved in any matter, for a personal interview with me, and I should have been only too delighted had these officers asked to see me personally.

Those personal interviews are not always pleasant; in fact very often they are the reverse of pleasant; but I always felt that whether one was able to give a decision which pleased the officer or displeased him, he always has a certain amount of satisfaction in having been able to get to the head of the Government of India and have a personal talk over his grievance. Therefore, I can say with regard to my own personal action that I am positive that no appeal was ever made to have an interview with me personally. The truth is that in this case there is really no dispute as to the facts. It is not the punishment that was objected to but the method of that punishment and I have never heard it disputed that this particular method was adopted; so that the facts are not in dispute.

#### Importance of the Minority Report

Now let me come to the last question asked by the noble Lord. It is in these terms:

"And whether, as no condemnation of that action was forthcoming in the Report of the Hunter Committee, while the Minority



Report recorded the incident inaccurately, the grave injustice accorded to these officers will now be redressed."

It is perfectly true that there was no specific mention of this case by the Majority Report of the Hunter Committee. It was mentioned only in the Minority Report. But is it seriously contended that when a Government has instructed a Committee or a Commission to report to it, it is to look solely at the majority Report and to pay no attention to the minority Report? I think the noble Lord who has asked this question is not always in the majority in his opinions in this House, and I am sure he would be the last to protest if his views in the minority were not given the weight which attaches to them, by the the Government of the day, to which his remarks had been addressed.

Apart from that, I would like to say that it is true that the majority did not mention this specific case, but they did make some very trenchant remarks on flogging generally in the Punjab. May I read their findings on that subject to your Lordships?

"The impression made upon our minds by the evidence is that there were too many sentences of flogging pronounced. From an examination of the cases of flogging inflicted for breaches of Martial Law orders it appears that the punishment of whipping was regarded as probably the most efficacious and convenient method of summarily dealing with most minor breaches of the Martial Law regulations."

Then they proceed to give instances, and conclude :—

"In view of the strong feeling in India against corporal punishment, we think it would be advisable that some restriction should be imposed on the discretion of area officers in giving sentences of whipping."

So that they did express their view strongly on the general policy of whipping which had been resorted to.

What are the inaccuracies of which the noble Lord complains in the Minority Report? In the Minority Report it is said that six boys were sentenced to six strokes each. As a matter of fact, what happened was that three boys were sentenced to six strokes and three boys were sentenced to three strokes. That is the inaccuracy on which, I presume, the noble Lord lays some stress. I will not trouble Your Lordships any further with regard to this case. The noble Lord has asked that justice should be done, and I do not for one moment suggest that if an injustice has been done it should not be remedied and remedied at once, and if my noble friend the Secretary of State for India thinks that an injustice has been done, I shall be only too pleased for him to direct that it shall be rectified. I appear at this table this afternoon not to make a case against these



officers, but to endeavour to put before Your Lordships the position of the Government of India when it was face to face with this particular Report of the Hunter Commission. I hope I have put it temperately and fairly. I certainly have no wish in any way to make the worse appear the better cause.

**The Secretary of State for India (Viscount Peel):** My Lords, it is seldom that we have in this House the advantage of hearing so full and clear a statement as that to which we have just listened, from a high official like an ex-Viceroy of India, who took so responsible a part in the events to which my noble friend, Lord Sydenham, has alluded. His reply really renders it unnecessary for me to be so full as I otherwise might have been, in giving an account in answer to the facts of the case. He has spoken not only with an authority but also with a knowledge with which I am unable to speak on this subject.

These questions refer to matters three years old in India, and to facts and details many of which are not within the knowledge of the India Office itself and could only be acquired after some research by the Indian Government itself. I think it is fair to the officer to say at the outset that I was able to see for a few minutes Mr. Marsden himself. It might have been thought that an aggrieved officer was anxious that his case should be brought before Your Lordship's House, and I have his direct authority for saying, because I asked him, that he had no part whatever in urging that this matter should be brought before your Lordship's House. I think it fair to say, in justice to him, that the whole responsibility as to whether this action is considered wise or unwise by your Lordships will rest on the noble Lord who has introduced the subject here.

I think the best thing that I can do is to answer carefully and categorically the specific points raised in the questions by the noble Lord. First, as to the censure "for 'improper, injudicious' conduct by direction of the late Secretary of State by which their careers have been seriously prejudiced," I ought to give the House the actual words of censure which were passed upon these officers. There is, first of all, Mr. Marsden—

"The Government of India have asked the Local Government to inform this officer that his action was improper, and that the Government of India disapprove of it."

The same words were used to Colonel Mac Rae through His Excellency the Commander-in-Chief. The inference drawn by the noble Lord in his Question is: "by which their careers have been seriously prejudiced." I should like to give the most emphatic denial to that statement. The noble Lord himself is the sole author



of the doctrine that the careers of these officers have been "seriously prejudiced" by this action. I should like to say emphatically that that is not so. I think it rather unfortunate that a statement of that kind should have appeared on the Paper, because it might suggest to those who know the authority with which the noble Lord speaks on this subject that there was something in this statement. I should like, therefore, to give your Lordships, an official statement that was communicated to Mr. Marsden from the Government of India in which, among other statements, these words were used.—

"The Government of India are quite prepared to concede that the work done by Mr. Marsden at Kasur during the disturbances and their sequel, taken as whole, was praiseworthy, and entitled to share in the general encomium passed on the work of civil officers in a paragraph of their Despatch."

Your Lordships will see that though it would appear by this question that all that happened to this officer for his action in this disturbance was that he was censured, the real fact is that the Government of India exercised great discrimination and gave him a full and wide approval for much of the action that he took in these difficult circumstances. Moreover, the final words of the statements are :—

"I am to request that Mr. Marsden may be informed of the views of the Government of India, and assured that in so far as his future career in India is concerned, his general record will be taken into account, and not this particular incident alone."

I think I am quite justified in saying that it is very hard indeed of the noble Lord to suggest, after the statements and communications that have been made to this officer, that his career is seriously prejudiced.

The next point is as to the alleged offence. Two points made by my noble friend, Lord Chelmsford, render it unnecessary for me to say anything. The first is an alleged inaccuracy in the Minority Report which has been, according to my information, quite accurately stated by the noble Viscount, Lord Chelmsford. I may say that exactly the same criticism as was made by him suggested itself to my mind. I am sure the inference to be drawn was not intended by the noble Lord, but anybody who was ignorant of the situation would draw the inference that these very grievous actions had been taken by this mob and that practically the only punishment accorded was six strokes with the cane to these different boys. Though not intended, that certainly was the impression that came into my mind. I do not want to give the figures, but I think it is important to assure your Lordships that, on the contrary, very grave action and very severe punishment indeed was meted out to the authors of these particular outrages.



In fact, no fewer than twenty-six persons were sentenced to death and seventeen to transportation for life and eleven of these persons were actually hanged for their share in these operations!

Again, there is I understand, evidence that the boys in these schools joined with this mob; yet, I should like to correct another inference that might be drawn from the particular form in which this question is asked. My information is that the punishment awarded to these boys had no connection with outrages committed by boys or by the school, in conjunction with these mobs, but, as the noble Viscount has related—and I think the noble Lord told us—the place was put under Martial Law, and the request was made by the headmaster to deal with his school because the boys were out of hand. These two subjects ought, therefore, to be disconnected in the minds of your Lordships in considering this point.

As to the question about being examined as witnesses, it has been stated that action was taken on the Minority Report of the Hunter Committee. That was not so. These officers had an opportunity and did give oral evidence before the Committee, as well as making written statements. But the actual points of procedure are of less importance because there is no dispute as to the action taken, and any sort of inquiry could only elicit again precisely the same facts as were elicited by this Inquiry. There is an admission by both sides that the facts are proved.

The last question of the noble Lord is whether "the grave injustice accorded to these officers will now be redressed." The noble Viscount Chelmsford has clearly stated what particular issue is involved in these cases. I have stated the position of these officers, and how their action was regarded by the Government of India, but I am certain what course I am asked to adopt by Lord Sydenham. Really, there is only one course he would wish me to take, and that is for the Secretary of State, in spite of the facts and in spite of the question of vicarious punishment, to announce, three years after these events, that he disapproves of the action of the Government of India, and that the action of these officers were proper and judicious. That is a statement which, I think, your Lordships will hardly expect me to make.

Reference has been made to a communication made this morning to the Government of India by an official. I do not know whether there are any new facts, but my intention is to find out by inquiry from India what steps have been taken. On the facts stated I think it would be impossible for anyone, anxious as they may be to do justice to officers in India, to reverse the decision of the Government of India arrived at three years ago when they were in full possession of all the facts.



# India in the Dominions & Abroad 1921-22



## INDIA IN THE

Imperial Conference 1921

League of Nations Assembly 1921-22

International Labour Conference 1921-22

East African (Kenya) Colony 1921-22

British Dominions 1921-22



# The Imperial Conference

LONDON—20TH JUNE TO 5TH AUGUST 1921

The Imperial Conference of 1921, an offshoot of the War Cabinet of the previous years, was the last great meeting of the Premiers of the United Kingdom and the British Dominions met to discuss inter-Imperial questions affecting the welfare and homogeneity of the whole British Commonwealth. In the 1917 War Conference it was solemnly given out that the British Commonwealth should consist of autonomous states, and after the war the new conditions made most of the Dominions too restive to remain under the thumb of the Mother country. It was to solve this question that the Imperial paraver was assembled. Mr. Sastri and the Maharao of Kutch were the Indian representatives. Too much was made of India's representation at the time but the true significance of the Conference, as a *Times* correspondent said, lay in the fact that "it will attempt, for the first time in history, to frame a foreign policy for the Commonwealth, and to decide how and to what extent the United Kingdom and the Dominions will share the burden of Imperial Defence."

The Conference was opened by the Premier, Mr. Lloyd George, on June 20th at Downing Street and lasted till the 5th August. The proceedings were held in camera; the press was excluded and only official reports were issued from time to time. In his opening speech the Premier, in referring to India, said :—

"India's achievements were also very great. Her soldiers lie with ours in all the theatres of war, and no Britisher can ever forget the gallantry and promptitude with which she sprang forward to the King Emperor's service when war was declared. That is no small tribute both to India and to the Empire, of which India is a part. The causes of the war were unknown to India; its theatre in Europe was remote. Yet India stood by her allegiance heart and soul, from the first call to arms, and some of her soldiers are still serving far from their homes and families in the common cause. India's loyalty in that great crisis is eloquent to me of the Empire's success in bringing the civilizations of East and West, in reconciling wide differences of history, of tradition and of race, and in bringing the spirit and the genius of a great Asiatic people into willing co-operation with our own. Important changes have been effected in India this year and India is making rapid strides towards the control of her own affairs. She had also proved her right to a new status in our councils; that status she gained during the War and she has maintained it during the Peace, and I welcome the represen-



tatives of India to our great Council of the Empire to-day. We shall, I feel sure, gain much by the fact that her sentiments and her interests will be interpreted to us here by her own representatives.

"The British Empire is a saving factor in a very distracted world. It is the most hopeful experiment in human organization which the world has yet seen. It is not so much that it combines men of many races, tongues, traditions and creeds in one system of government. Other Empires have done that, but the British Empire differs from all in one essential respect. It is based not on force but on good will and a common understanding. Liberty is its binding principle. Where that principle has not hitherto been applied it is gradually being introduced into the structure.....

"It is that willing and free association of many nations and peoples which this Conference represents. Think of what we stand for in this room to-day. First of all the long political development of the British Isles, with all its splendours and its pains, the crucible from which the frame-work of the whole great structure has emerged. Canada, British and French; South Africa, British and Dutch—both now great Dominions whose unity is due to the free and willing combination of two proud races in a single nationhood; Australia and New Zealand, British civilizations both, but planted and developed with a genius of their own by the sheer enterprise and gift of their peoples in the farthest antipodes; India, a mighty civilization, whose rulers were known and respected throughout the Western world before the first English post was planted on Indian soil.....

"Side by side with these lie the wonderful varied colonies and protectorates in their different stages of development, which the Secretary of State for the Colonies is here to represent. In all the marvellous achievement of our peoples which this gathering reflects, I am most deeply impressed by the blending of East and West—India with her far-descended culture and her intensely varied types, so different from ours, present in this room to concert a common policy with us in the world's affairs, and to harmonize, as we hope, still more completely her civilization and ours. It is our duty here to present the ideals of this great association of peoples in willing loyalty to one Sovereign, to take counsel together with the progress and welfare of all, and to keep our strength, both moral and material, a united power for justice, liberty, and peace."

Next day, June 21, speeches were made by the Dominion Premiers and the opening statement on behalf of India was made by Mr. Sastri in which he drew the attention of the conference for the first time to the status of Indians in the Empire.



# Mr. Sastri at the Imperial Conference

*LONDON, JUNE 21ST, 1921*

Addressing the Imperial Conference Mr. Sastri said in his memorable speech on June 21st :—

The Premier strikingly alluded to generous enthusiasms and noble ideals for humanity which the war had kindled everywhere. Mr. Sastri assured them that India was actuated by these enthusiasms and ideals in the same measure as other parts of the Empire. Indians realised that the British Empire was the most fitting exponent of these enthusiasms and ideals and it was India's peculiar good fortune to remain within the British Empire and take part in the work for the realisation of these noble aims and purposes. The Princes, for whom his friend the Maharao of Cutch would speak, and peoples of India, whom it was his privilege to represent, sent their hearty allegiance to the Central Council. India had contributed to conduct the recent war and had sent supplies of wheat making dangerous inroads on her own scanty stocks. India had made munitions for soldiers to use on battlefields and had made money contributions out of her poverty. In addition she had sent 1,274,000 men or over half of the total overseas forces employed in the war. He expressed India's gratitude for the Premier's handsome acknowledgment of these contributions. He said that the Maharao and he considered it a privilege to sit at a table where history was made, and personally, not being in the service of Government and never having shared in the administration of public affairs, he considered it his particular good fortune to sit alongside statesmen who for generations had moulded the destinies and fashioned the fortunes of their kind. But the Maharao of Cutch and he could not fail to remember that their position there was by no means comparable with the position of their colleagues from the Dominions. The latter had been called there by virtue of being Prime Ministers, whereas the Indian representatives came by nomination of their Government. Indian representatives realised that there was marked difference in their status although not in the privileges to which they had been admitted at these meetings, but they hoped that next year, or the year after, their successors would come by a better right. The person who represented, in place of Cutch, over one-third of the British territory in India would



probably be chosen by the Chamber of Princes by election, and the man who replaced Mr. Sastri might likewise be elected by the Central Legislature of India.

India had not yet acquired full Dominion status, but Indians realised that they were planted firmly on the road to acquisition of it. The Government of India Act of 1919 formed a great land mark in the growth of the Indian constitution and there was nothing in India's previous history with which it was comparable in importance or magnitude. The Chamber of Princes which was going to play a great part in the evolution of India did not form an integral part within the law of the Indian constitution. The constitution proper of British India which was inaugurated by the Duke of Connaught recently showed a sense of responsibility and loyalty to the Empire second to none of the Parliaments of the Empire, and the New Council of India had worked better than had been expected under the wise and sleepless watch of Mr. Montagu. The political reforms just started in India were doing great work in placing India alongside other parts of the British Empire. He must say they had their troubles. Non-co-operation had only to be mentioned to give an idea of the perils in which Indians had to live. He was happy to say that Lord Reading might be trusted fully, as recent experience had proved, to deal with this great danger.

Mr. Sastri then proceeded to allude to two topics of high domestic importance; the first was one in which the deepest feelings of his Mahomedan fellow-countrymen were engaged. He would not say much on that point as all the issues were at present fully vivid in their minds. On the Maharao of Cutch and himself who were Hindus there rested the very peculiar duty of voicing the feelings of their Moslem fellow-subjects on this occasion.

He would only venture to remark that in the arrangement that might be made for the future of the Turkish Empire the statesmen of the United Kingdom must remember that they must show as much chivalry and tenderness as might be expected from a mighty victor. He had no manner of doubt that they would be actuated by considerations which were always present to those who had inherited the great traditions of British prowess and the still greater traditions of British sportsmanship.

Another very important subject he must mention was the status of Indians in the Dominions. The Premier in noble words described British Empire as confederation of races into which willing and free peoples had been admitted. Willing and free consent was incongruous with inequality of races; and freedom implied, as of necessity, the admission of all peoples to the rights of citizenship without reservation. In impressive and far-seeing words General



Smuts had alluded to ever-lasting peace. Peace meant stable and unalterable relationship between communities based on honourable equality and recognition of equality of status. To embody these ideals was a deduction of ideals now in actual practice, and the Indian Delegation was going to submit, for consideration of the Cabinet, resolution the terms of which he understood had already been communicated to them. That resolution would be regarded in India as the test by which the whole position must be judged. He would not say more than that. It was supremely important that the subject should be considered and disposed of satisfactorily at that meeting and it was of urgent and pressing importance that the Indian delegates should be enabled to carry back a message of hope and good cheer. There was no conviction more strongly held in their minds than that of full enjoyment of citizenship in British Empire applied not only to the United Kingdom but to every self-governing Dominion in it. Indians had already agreed to a subtraction from the integrity of their rights by the compromise of 1918 to which Lord Sinha was a party that each Dominion and self governing part of the Empire should be free to regulate the composition of its population by suitable immigration laws. There was no intention whatever to go back on that compromise but they pleaded on behalf of those fully domiciled in self-governing Dominions according to laws under which those Dominions were governed. To those peoples there was no reason whatever to deny full rights of citizenship. They pleaded for them and where they were lawfully settled they must be admitted into general body of citizenship without deduction from rights that other British subjects enjoyed. It was his unfortunate part to draw prominent attention to what Indians considered the great defect of the present arrangements. It might seem of comparatively trifling importance to other issues they had to consider. He only asked that there should be no small bickerings and mutual recrimination. They had great tasks. So let the little things be got out of the way. He only wished that all their common energies should be bent towards realising more and more within the Empire and extending further and further outside the Empire the generous ideals of progress to which Mr. Lloyd George had given such inspiring expression on June 20th.



# Government of India Memorandum On India in the Dominions

The Indian Representatives submitted to the Imperial Conference the following memorandum of the Government of India setting forth their views on the position of Indians in the Dominions.

The results of the Imperial War Conference of 1918 were embodied in the so-called Reciprocity Resolution which provided as follows : (*See I. A. R. 1919*).—

(1) That each community of the British Commonwealth should enjoy complete control of the composition of its own population by means of restriction on immigration from any of the other communities, (2) that facilities should be given for visits and temporary residents except for labor purposes, (3) that Indians already domiciled in the other British countries should be allowed to bring in their wives and minor children provided that not more than one wife and her children should be admitted for each Indian, (4) that the removal of the disabilities to which Indians already residing in other parts of the Empire were subjected should be given early consideration.

From the Indian point of view the fourth provision was the most important. India was willing to admit into India any citizen of the British Commonwealth. She did not desire to exercise her reciprocal right of exclusion. India again imposed no disabilities on any citizen of the British Commonwealth. She hoped that a reciprocal obligation would be recognised by the other communities. By waiving her claim to a free entry into the Dominions, India hoped to secure a fair treatment for Indians who were already domiciled there. For example, as regards South Africa such expectations were raised by General Smuts himself, when he said at the Conference of 1917:

I feel sure and I have always felt sure that, once the White community in South Africa were rid of the fear that they were going to be flooded by unlimited immigration from India, all the other questions would be considered subsidiary and would become easily and perfectly soluble.

The readiness and good will shown by Canada and Australia in taking steps to carry out the reciprocity resolution under heads (2) and (3) are gratefully acknowledged. In Newzealand and Newfoundland the Indians are subjected to no disabilities. It is regretted that Newzealand should recently have found it necessary to pass an Immigration Act which may be used to restrict further Indian immigration, but it is recognised that such restrictions are within the terms of the resolution of 1918 and in passing the Act Newzealand has shown a scrupulous anxiety to respect the



obligations imposed by the resolution. The number of Indians already domiciled in Canada, Australia and Newzealand are comparatively small. The heading (4) of the reciprocity resolution had reference mainly to the disabilities suffered by the Indians domiciled in South Africa. In South Africa no steps have been taken to remove it in any way or to alleviate the disabilities which were enumerated in the memorandum presented to India at the Conference of 1918. On the contrary the old Transvaal Law of 1885, the repeal of which was then pressed, has been re-enacted by the Union Parliament in a more stringent form so as to prevent the indirect ownership of fixed property by the Indians. The difficulties of the Union Government are recognised, but it has created a painful impression in India that this provision in the Bill, which was passed as Act 37 of 1919, should have been originally due to the initiative of the Minister of the Interior who moved that the alleged evasion of law III of 1885 should be included in the enquiry of the Select Committee which was appointed in March 1919. It has been found difficult to reconcile this action with the assurance given by the representative of South Africa at the 1918 Conference that the repeal of law III of 1885 would be sympathetically considered by the Union Government. The anti-Indian agitation in South Africa which had subsided during the War has in the past two years been revived and sedulously organised by an Association known as the South African League. The avowed object of this agitation is to repress the Indian settler by every possible means, to restrict his trading, to prevent him from acquiring fixed property, to segregate him and, if possible, to drive him out of the country. The Commission appointed last year by the Union Government, which has recently reported, has found that the so-called Asiatic menace has been greatly exaggerated. Notwithstanding this the Commission has not recommended any relaxation of the existing restrictive laws and by a majority has recommended that new restrictions should be imposed on the acquisition of land by Indians in Natal. Now the Government of India desire strongly to impress upon the Imperial Cabinet how unfortunately an anti-Indian policy in any part of the Empire reacts in India itself. The national consciousness of India has been quickened by the part she played in the war, of the New India which has emerged as the result of the War and of the Peace Conference, by her position as an original member of the League of Nations, and by the advance which she has made in the past few months towards complete Self-Government. It is a bitter reflection that the British Indians can be subjected within the British Empire to disabilities from which they would be protected in a foreign country by treaty rights or by



the active intervention of His Majesty's Government. For example, the position of Indians in Portuguese East Africa is contrary to their position in the adjoining province of the Union. The Indian cannot understand why the representatives of his Government should carry less weight with the Government of a dominion than with that of a foreign Power. It is the desire of India to remain a partner in the British Commonwealth of Nations, but her own self-respect demands that the partnership should be equal. She cannot be expected to acquiesce in a position of permanent inferiority. The essential conditions of equal partnership are the admission of British Indians to the full rights of citizenship in whatever part of the Empire they are domiciled. It is believed that the only final solution of the controversy which has for so long embittered the relations between India and other parts of the Empire will be found on these lines. The communities of British Indians legally domiciled in the Dominions would then be enabled to safeguard their own interests. But so long as any such community is not assimilated into the political and economic body of its country of domicile and, therefore, has no certain means of securing the remedy of its grievances from the Government of that country there can be no termination to this undesirable contention between the different partners in the same Commonwealth of Nations. On the other hand, in New Zealand and in the Cape Province of the Union (where the Cecil Rhodes policy of equal rights for every civilised man still prevails), there is no Indian question in the sense in which it continually presents itself in countries where the Indians do not possess the full citizens' ordinary means of representing his views and interests. The Government of India have already admitted the right of each Dominion to impose such restrictions on immigration as may be necessary to secure the composition of its population on its own lines, but they must claim for the Indians, already domiciled in any Dominion, the full rights of British citizenship. This involves changes in the existing laws of the Dominions which can only be brought about with the consent of a majority of the electorates, a process which necessarily takes time, but the longer the delay in consummating these changes the more the solidarity of the Empire is weakened, and the Government of India, therefore, wish to emphasise this point of view and would submit the resolution appended to this memorandum as embodying the case of India for this session of the Imperial Cabinet. But equal partnership must also be based on mutual respect implying mutual understanding. It is believed that the present estrangement is largely due to ignorance on both sides. It is an unfortunate fact that the Indian, with whom the other communities have chiefly come in contact, has been the indentured laborer. A better understand-



ing is difficult when, as in South Africa, the coolie is a synonym for the Indian. It is fair to India to say that indentured emigration has for many years been abhorrent to her. It is perhaps scarcely fair to India that a country which deliberately imported cheap Indian labor should protest that the Indian, by reason of his low standard of living, is an economic menace. However that may be, indentured emigration has now, by the efforts of India, been ended. Mutual intercourse between the educated classes should be encouraged. In this and the following paragraphs certain definite suggestions are submitted for the consideration of the Imperial Cabinet. The resolution of 1918 provided for admission on reciprocal foundations for visits or temporary residence, but it is urged that something more is now required than the mere grant of facilities which in practice may be neutralised by irksome delays and formalities. It should be easy for an educated Indian to go to another part of the Empire for a visit or temporary residence as it is for any other British subject. Further than this it is suggested that intercourse between India and other parts of the Empire should be actively encouraged. The free admission of the Indian students to Universities in the Dominions was discussed at the last Conference and the interest which Australia has taken in this question is gratefully acknowledged. Other avenues of reapproachment may be suggested. It is believed, for instance, that the interchange of Parliamentary Deputations, visits of Press Delegates, or Chambers of Commerce would be productive of great good.

While the right of each community to control the composition of its own population is fully recognised, it is hoped that with fuller knowledge the Dominions would not consider it incompatible with the development of their own civilisations to remove all obstacles in the way of the entry of educated Indians, especially those belonging to the professional classes. In the event of a satisfactory solution of the very important question raised in this memorandum not being found at the meeting of the Imperial Cabinet, it might be considered whether the subject might not be further discussed at Delhi at a meeting of the representatives of the Dominions chiefly concerned and of India. The Government of India have already pointed out that the failure to solve this question on wise and statesmanlike lines may be attended with disastrous consequences to the solidarity of the Empire, and it is for this reason that they make the suggestion. They believe that a meeting such as they have suggested, held in India during the session of the Indian Legislature, might have most valuable results. Nothing but good could result from a visit to India, as the guests of India, of accredited representatives of the Dominions. It would enable the Indians in



general and the members of the Legislature in particular better to appreciate the Dominions' point. On the other hand, the opportunity thus afforded to these representatives of watching the Indian Legislature at work and of a frank interchange of views with the members of that Legislature would, the Government of India are confident, go far towards removing the misunderstanding and misconceptions which have so largely contributed to the unfortunate position into which a vital problem has been allowed to drift. At the same time, it is hoped that the Governments of the Dominions will recognise a more definite obligation for the welfare of the Indians who are already domiciled there. It is suggested that the submerged Indians who desire to return to their own country should be assisted with free passages. It would be in the interests of every one to uplift those who remain and make them good citizens of the country of their adoption. A Bill was introduced at the last session of the Indian Legislature which would empower the Governor-General in Council with the consent of the Governments of the countries concerned to appoint agents in countries where Indian settlers are numerous. It was suggested by Lord Sinha at the Conference of 1918 that the appointment of an agent of the Indian Government at Pretoria would be an advantage both to the Indians in South Africa and to the South African Government. It is hoped that the Governments of the countries concerned will now be willing to receive the agents of the Indian Government. Such agents would exercise quasi-Consular functions. Their chief duties would be to maintain friendly relations, to remove the causes of frictions, which in many cases, it is believed, are due to misunderstanding, and to work in co-operation with the Government of the country for the general upliftment of the Indian community. Finally, the Government of India suggest that the Imperial Cabinet should recognise the validity of the Indians' claim in regard to the grant of full rights of citizenship to the Indians domiciled in the Dominions by means of the following resolution :

#### **The Suggested Resolution.**

The Cabinet, while reaffirming the resolution of the Conference of 1918 that each community of the British Commonwealth should enjoy complete control of the composition of its own population by means of restriction on immigration from any of the other communities, recognises that there is an incongruity between the position of India as an equal Member of the British Empire and the existence of disabilities upon British Indians lawfully domiciled in some other parts of the Empire. The Imperial Cabinet accordingly recommends, as a matter of the most urgent importance in the interests of the solidarity of the British Commonwealth, the adoption of a policy of removing any disabilities under which such Indians are placed and making them good citizens of their country of domicile by merging in the general body of citizens in whatever part of the Empire they may be lawfully domiciled.



## The Imperial Conference 1921

This memorandum was placed before a Committee appointed to deal with the question. On July 7th the Conference took up the question of status of Indians in the Dominions and other Indian affairs. The Maharao of Cutch in opening the discussions dealt principally with the developments of Parliamentary Government from which were expected the happiest results as far as India was concerned with regard to her aspirations towards full self-Government on the Dominions plan. Mr. Sastri referring to British Indians domiciled in the Dominions frankly recognised the right of the Dominions to regulate admission or restriction of immigration from whatsoever source, provided that no invidious distinction was drawn between immigrants from India and from other parts of the Empire on grounds of race, colour or any reason tending to differentiate Indians from other people of the Empire. Mr. Sastri further urged that Indians should be permitted to settle in any British Dominion or Colony and should be accorded full rights of citizenship without distinction between them and any other section of citizens there.

After discussion the question of Indians in the Dominions and Colonies was referred to a Committee. This Committee was presided over by Mr. Churchill and attended by most of the Dominion Premiers. As a result of its deliberations the following resolution was eventually passed. Mr. Sastri was invited by the Dominion Premiers to visit their Dominions with a view to influencing and educating the electorates in the Dominions so that they may be willing, in course of time, to give their assent to the enactment of laws establishing the racial equality of Indians in their respective countries.

**The Resolution on the Status of Indians.**

"This Conference has re-affirmed that each community of the British Commonwealth should enjoy complete control over the composition of its own population by restricting immigration from any other communities, but recognises that there is incongruity between the position of India as an equal member of the Empire and the existence of disabilities upon British Indians lawfully domiciled in some other parts of the Empire, and this Conference, therefore, is of opinion that in the interest of the solidarity of the Commonwealth it is desirable that the rights of such Indians to citizenship should be recognised.

**The Refusal of South Africa**

"The representatives of South Africa regret their inability to accept this resolution in view of exceptional circumstances of the



greater part of the Union. The representatives of India, while appreciating the acceptance of this resolution, nevertheless feel bound to record their profound concern at the position of the Indians in South Africa and hope that by negotiations between India and South Africa a way can be found as soon as may be to reach a more satisfactory position."

The only dissentient to this resolution was Genl. Smuts, the South African Premier, who said that public opinion in his country was so strong against the Indians that he could not accept the resolution on behalf of his country though personally he was in sympathy with it.

Some of the other important topics discussed in which India was interested and the Indian delegates participated were matters of inter-Imperial concern, such as communications, the distribution of naval squadrons, the contributions to be made by the different Dominions for the maintenance of the navy, extension of wireless communication throughout the British Empire, and economic questions, such as Imperial Preference within the Empire and so on. These matters have been kept confidential, and also some very interesting statements made in the course of the proceedings under the seal of secrecy by Lord Curzon regarding foreign relations of the Empire, and by Mr. Churchill concerning the position and status of Indians in the Colonies.



# India at the League of Nations Assembly

*(See also previous issues of the Register)*

The League of Nations Assembly has about fifty or fifty-one ✓  
Members from all parts of the world, excepting of course the United States of America which has persistently refused to recognise the league and to ratify the Treaty of Versailles of which it is the creation. Like her other Dominions, Great Britain has only one vote for her own ; India is an original Member of the League and has, too, one vote independently. In 1921, at the Geneva Assembly, Mr. Sastri, the Maharao of Cutch and Sir William Meyer were the Indian Delegates. Two important questions regarding the constitution of the Assembly were discussed. One was whether changes in the constitution could be made by a majority vote or unanimity of the Assembly. Another question was how far each member of the League was bound to give assistance to any other member of the League whose existence and independence of territory were endangered by the action of another member of the League, or by any power not belonging to the League of Nations. The questions were however put off for the time being. The question of the expenses of the League and how to apportion its cost amongst the members was a question upon which a great dispute arose which has not yet been satisfactorily settled. India was heavily burdened, and the suggestion for increasing per burden still more was curiously made by South Africa. Sir William Meyer's able opposition to this view is given in the 1921 Register.

In 1922 Sir Sivaswami Iyer replaced Mr. Sastri as the Indian delegate. The most important question discussed in the last Assembly was the report on the Mandates. It will be remembered that the Treaty of Versailles gave over the old enemy territories to the several Powers to be administered by them under the mandate of the League of Nations ; hence these territories are known as the Mandated Territories. Great Britain, for instance, is a Mandatory of Palestine, Mesopotamia, Tanganaiyka etc. The report of the Mandatories came up before the Assembly and Sir Sivaswami Iyer made an important speech which is given on p. 225.



## The Indian Report 1920

The report of the delegates of India to the first Geneva session of the League of Nations, details of which were given in a previous issue of the REGISTER, was published in India in 1921. The report is signed by Sir William Meyer, the Maharaja of Navanagar and Sir Ali Imam. The delegates in concluding the report says :—

“Looking back on the work of the Assembly as a whole we think that as claimed for it by Mr. Balfour in the House of Commons it has been of much value. The Assembly was bound to disappoint the expectations of those impatient idealists who thought it would usher in a new era, and what it was able to do in respect of limitation of armaments fell short of more moderate expectations. Account has however to be taken of the atmosphere of mutual suspicion to which this question still gives rise, of the disturbed state of the world, and of the facts that the disarmament of Germany has not yet fully been accomplished and that Russia and the United States are outside the League and are untrammelled by any decisions it may take with reference to its own members. But leaving this aside, the Assembly made very considerable progress in an unostentatious way towards fulfilling the expectations with which the League was called into existence, and what it accomplished paves the way for further and faster progress hereafter. It has to its special credit the final establishment of a permanent Court of International Justice at the Hague. It has established important technical organisations to deal with communications and transit and health, and has endorsed generally the action taken by the Council to render more effective the decisions arrived at in the Brussels Financial Conference. It has fixed its rules of procedure and defined the relations between itself and the Council in a way which will at any rate suffice at the outset. It has set on foot machinery for obtaining amendments to the Covenant where these may be found necessary. It has taken measures to expedite the consideration of the adequate carrying out of the economic blockade contemplated by the Covenant in the case of a covenant-breaking State, and it has put forward an opinion in regard to the limitation of expenditure on armaments to that accepted by the various States for the coming financial year which must at any rate carry weight. It has emphasised the necessity for an international campaign against Typhus and cognate disease in Eastern Europe and for the relief of children in war areas. It has arranged for international action under the League in respect of the carrying out of the League Convention for the control of opium



and other harmful drugs and in respect of the "White slave" traffic. It made a praiseworthy though somewhat hopeless attempt to deal with the difficulties of Armenia and in admitting new members to the League. It has, with the general assent of the British Empire delegations, included two ex-enemies, Austria and Bulgaria. Lastly, it has asserted the control of the Assembly in matters of League finance and it has taken measures, excellent in themselves, though we, of the Indian delegation, do not consider them fully adequate, for the establishment of economy and method in the expenditure of the League and for a revising of the present unsatisfactory system under which the League expenses are distributed among the member States.

"One very significant fact which struck us was that, when the Assembly met, the delegates, for the most part strangers to one another, were mutually suspicious and looked entirely to the interests of their own States. But before the Assembly concluded there was the beginning of what may be called an Assembly consciousness, the delegates realising that they had a duty to the world at large as well as to their own country. If, as will probably be the case, the majority of the delegates to the recent Assembly are also members of the next, and consequently meet with mutual knowledge, this tendency will rapidly develop. It will also be stimulated by what is likely to be a feature of the future assertion by the Assembly as the democratic element in the League of claims as against what may come to be regarded as the oligarchic pretensions of the Council. It is significant too that in electing representatives of secondary States to the Council the Assembly adopted the view that one of the four should be taken from outside Europe and America, and in pursuance of this policy selected China.

#### Part Played by India

"As regards the part played by India in the Assembly, our effort to obtain a reconsideration of the Council decision declining to take early action on India's appeal for immediate representation as a great industrial power on the governing body of the Labour Organisation met with failure, Committee No. 2 and the Assembly holding, as they were justified in doing on technical grounds, that the matter was not one in which they could interfere with the prerogatives of the Council. But we attracted universal attention to the danger which the present constitution of the governing body exemplifies of the undue predominance of Europe in bodies which deal with matters affecting the world at large, and we rendered it practically impossible that the constitution of the Labour Governing Body should be repeated on their standing committees; in fact, it has been



brought to notice in dealing with those who obtained a definite pronouncement that the members of the advisory committees on health and transit should be selected *inter alia* with reference to geographical considerations.

"Our attitude and attainment in respect of questions of League finance where we took a leading part have been summarised in Para 114, and though, as there stated, we did not achieve all that we wished, we can claim that but for us the financial reforms which have been effected would have been of a far less important character. In dealing with the matter we were, as has been stated, efficiently supported by the Dominions, and our relations with the Dominions delegates throughout were of a very cordial nature. This fact may, it is hoped, bear fruit hereafter when questions arise as regards India's relations with the Dominions in such matters as emigration. We were also on most cordial terms with the British delegation and were every now and then indebted to Mr. Balfour for kindly and useful advice. The absolute independence of India, as of the Dominions, in regard to her attitude and voting on questions coming before the Assembly and its committees, was fully recognised, but like the Dominions we felt that when our own interests were not directly or indirectly concerned we should endeavour to keep step with the Mother Country and there were frequent informal meetings to this end between the various Empire delegations.

"To conclude, we venture to think that the remark made in the "Times" review of the events of 1920 that at the Assembly of the League of Nations at Geneva the Indian delegation took such a share in the discussions as showed that India had become an influential participant in the Councils of the World was in accordance with actual facts. And we have the satisfaction of feeling that we three representatives of India worked together in the most cordial and harmonious way and that there was not the least difference of opinion between us on matters of any importance."

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## The Indian Report 1921

The report of the Indian delegates to the Second Session of the Assembly of the League of Nations in 1921, details of which were given in the last issue of the REGISTER, was published in India in February 1922. It is signed by Sir William Meyer, the Maharao of Kutch, and the Right Hon. Srinivasa Sastri. It extends over eighty-nine printed foolscap pages. After an exhaustive review of the proceedings, the delegates give the following concluding summary :—

“The Assembly met on Monday the 5th September and broke up on the evening of the 5th October. The work done this year was of a quite solid and useful nature, and the League obtained a considerable amount of prestige by a reference to its Council of the solution of the Upper Silesian question. Whether that prestige will be maintained depends of course on the working out in practice of the Council's apportionment scheme. The coping stone was laid by the election of the Judges to the Tribunal of International Justice, and useful decisions were taken in regard to the technical organisations and with reference to the traffic in women and children, while the question of the reduction of armaments was discussed in a more practical manner than in 1920, though it was felt that no great progress could be made pending the results of the Conference at Washington. The Assembly felt itself unable to follow up Dr. Nansen's request for Government credits for the alleviation of the famine in Russia, but expressed full sympathy with his philanthropic crusade.

### Indian Question

“As regards the matters in which India was specially concerned, we obtained complete satisfaction in the matter of the Assembly's re-draft of the Council's resolution on the subject of opium. We made ourselves materially felt in the Committee and obtained some reductions in the expenditure and the adoption of a resolution to paying greater attention to the representation of Nationalities, our own included, in the League Secretaries. We had also the satisfaction of seeing the adoption of the proposal that the Indian Delegation made last year, which was then rejected, for an outside committee of control over the estimates and the account of the Secretariats and the International Labour Bureau. As regards the allocation of contributions, we have had for the time being (subject to ratification of our Government) to accept a provisional scheme in the substitution of postal union scale which burdens India more than the latter did, but we have obtained, though not in such a



definite form as we should have wished, the principle that this scheme is only provisional and that it ought to be replaced by a better. (The definite scheme above referred to raises India's percentage of subscription from 4 point to 9 to 6 point.)

"Our relations with the Dominion representatives, though very friendly, were not so close as last year as we were at variance over the allocation scheme. On the scheme which proposes to raise India's contribution, the following passage occurs in the course of the report about the proceedings in the Committee which decided by a majority the provisional scheme: "in a speech Sir William Meyer pointed out the difference between idealism preached in the Assembly by the South African Delegates and the hard materialism of the present discussion in which South Africa, like other States, had supported the scheme which should let them off most lightly. Mr. Bruce (Australia) had endeavored to support the opinions expressed in favor of a definite scheme by the proposition of the greatest happiness of the greatest number that a definite scheme would increase the assessments only of six countries, India included, whereas it would reduce the assessments of a great many more, if there was some injustice to India. Surely it was better (he had observed) that this should be suffered than that so many other States of less wealth should have to complain. Australia, now posing as a poor country, had, Sir William Meyer rejoined, spent nearly £100,000 on a palatial office in London for her High Commissioner, an expenditure which India, with her much larger revenue and also larger necessary expenditure, could not possibly afford. Australia had also indulged in the luxury of an expensive line of Commonwealth steamers which some of the best experts predicted would be run at a heavy loss. It was idle, therefore, to say that Australia was a poor country and India a rich one." It is further stated in the report that under the provisional scheme India would, in 1922, budget for 1,380,000 gold francs against 1,022,000 which she contributed under the Postal Union scheme. In the concluding paragraph, the delegates add: As in the last year, we received valuable assistance on occasions from the British delegation and were specially indebted to Mr. Balfour for his kindly advice and endeavor to reconcile differences when these arose in regard to the allocation scheme between ourselves and some of the Dominions. As last year, again, the delegates of India all worked together in the most cordial and harmonious way."

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## Sir Sivaswami Iyer at the League of Nations Assembly

Before the Assembly of the League of Nations meeting in the course of the discussion on the Mandate reports relating to various territories, Sir Sivaswami Iyer attacked General Smuts in connection with the Union Government's administration of German West Africa. Sir Sivaswami also accused General Smuts of making a speech with regard to South West Africa which could not be quite reconciled with the position of mandated territories, because the South African Premier described those coming under the 'C.' class as annexed in all but name to the territories and in the administration of which the former was a part. Sir Sivaswami disagreed with this description.

The High Commissioner, Sir Edgar Walton, in reply, expressed his astonishment at Sir Sivaswami's solicitude for South West Africa, because there was not a single Indian there. Construing General Smuts' speech, Sir Edgar said that the 'C' Mandates as affecting German South-West Africa amounted to virtual annexation was perfectly correct because the people there were in the same position as the Union people. Sir Edgar reminded Sir Sivaswami Aiyer that there was no colour bar in the Cape Province.

Lord Robert Cecil put up a vigorous defence of General Smuts. He said that it was fantastic to suggest that General Smuts, who first proposed the mandatory system, would be anxious to do anything hostile to that system.

The following is what Sir Sivaswami said —

I come forward to support the resolution which has been moved by Dr Nansen, and in doing so I wish to make a few brief observations on matters of general interest to the Assembly, which have been suggested to me by a study of the report of the Mandatory Powers. I desire to associate myself with the tribute that has been paid to the members of Permanent Mandates Commission for the admirable solicitude which they have displayed for the welfare of the populations committed to the charge of the mandatory Powers, and for the scrupulous regard which they have shown for the letter and the spirit of Article 22 of the Covenant. No question has escaped the watchful eye of the members of the Permanent Mandates Commission. It is satisfactory to learn from them that forced labour is wholly, or practically, unknown. It is interesting to find that the Members of the Mandates Commission draw attention to the features attendant upon the system of indentured labour which had been introduced into some of these territories. They call attention to the social dangers which are inseparable from a system of indentured labor. Explanations have been given by the representative of New Zealand, but I am not certain that they are



quite reassuring. One reason why the women in China are unwilling to come forward is said to be that they demand the same conditions of work and the same pay as the men. That, I think, is a demand which is reasonable enough, and which, I think, we cannot complain of. It is also said that the three years indenture under which the labourers are imported allows too short a period for the Chinese labourer to learn the language or to associate with the natives of the country. I am afraid that these circumstances are not a sufficient guarantee against the dangers which are only too likely to follow the exclusive importation of male labour.

We, in India, have had some experience of the dangers attendant upon the immigration of an exclusively male laboring population, and it has always been the endeavour of the Indian Government in the past to secure a due proportion between the sexes among the immigrants. I have no doubt that the Government of New Zealand, which has displayed so much solicitude for the welfare of the people committed to its charge, will realise the importance of this aspect of the question, and will see that a due proportion of the sexes is ensured among the laborers when it recruits from China.

Another important question to engage the attention of the Commission is the subject of land tenure. There is no tendency more common among modern lawyers than to read back their conceptions into the past, or to extend them into the interpretation of the rights and usages of primitive communities. We have a tendency to imagine that, unless rights of ownership are proved by the same or similar acts of exercise as we are accustomed to expect in civilised communities, no such rights exist. There is a danger against which we have to be on our guard. It is a matter for satisfaction that the members of the Permanent Mandates Commission have resolved to call for the land laws of the different territories committed to the charge of the mandatories, and to study this question further.

An extremely dubious claim has been put forward, in the French mandated territory, to what has been called the private domain in the State. I have no doubt that this matter will also receive the searching and careful consideration of the Permanent Mandates Commission in the next year.

Another important question which has engaged the attention of the Commission is the evils which have followed the demarcation of the boundary between Belgian East Africa and Tanganyika.

The recommendations of the Commission are drawn up with a due regard to the susceptibilities of the Great Powers, and the resolution of Dr. Nansen is also couched in extremely modest terms. Speaking for myself, I should have preferred to accord a more emphatic endorsement to the conclusions of the Permanent Mandates Commission. I should have preferred the language of the Marquis Imperiali when he submitted his draft resolution, in which he invites the Council to draw the attention of the Powers to the recommendations of the Permanent Mandates Commission. I should have liked to ask the Council to express the hope that the boundary between Tanganyika and Belgian East Africa may be so rectified as to avoid the danger which have been pointed out by the members of the Commission.

But though the resolution of Dr. Nansen or rather of the Sixth Committee has been couched in very modest terms with a modesty which becomes us when we deal with the susceptibilities of the Great Powers, I hope that our modesty will be duly appreciated, and that the Powers concerned will devote some consideration to the questions to which their attention has been drawn.

Before I proceed further, I should like to associate myself with the acknowledgment which has been made by the members of the Mandates Commission of



the services rendered by the representatives of Australia, of New Zealand, and of Japan to the Commission, in their examination of the reports of the various Mandatory Powers.

I should also like to pay a tribute to the solicitude for the well-being of the natives which has been displayed by those various mandatory Powers in their administration of the territories. When Sir Francis Bell made his remarks yesterday, I was wondering what there was in the reports of the Mandates Committee which had offended his susceptibilities, and called forth the note of warning which he thought it necessary to sound. I have re-examined the report of the Mandates Committee, but I have not been able to discover anything in that report which could have offended the susceptibilities of anyone. Far from criticising the administration, they extol the virtues and the merits of the New Zealand administration. I should have thought that the Permanent Mandates Committee would have been entitled to expect the thanks of the New Zealand administration ; but it is a hard world and it is difficult to please everyone.

As regards the dangers which Sir Francis Bell has spoken of, I am unable to find any departure from the constitutional position which he saw correctly laid down. I see no desire or any intention to infringe upon the position or upon the principle which he laid down. The Permanent Mandates Committee has made its report only to the Council, as he says they ought to have done, and it is the Council who have submitted to us the reports of the Permanent Mandates Committee as annexes to their report. We are entitled, as members of the Assembly, not merely to the opinions of the Council, but we are also entitled to be placed in possession of the material upon which the Council has formed its opinions. I have been unable to discover any impropriety or any desire on the part of the Mandates Commission, or of the office of the Secretary-General, to depart from the strict canons of propriety.

Ladies and Gentlemen, it is unfortunate that the South African Union should not have accorded its assistance to the Mandates Committee in the same way in which the mandatory Powers accorded their assistance. It may have been due to circumstances over which they had no control, or to indifference or unwillingness. At any rate, the attitude of the South African Union is open to misconstruction, and I venture to express the hope that when next year the reports have to be examined, the South African Union will be able and willing, as the other mandatory Powers, to lend every aid in its power to the Mandates Committee. It seems to me, however, that it is just possible there may be some misconception in the minds of the responsible statesmen of South Africa with regard to their obligations in this matter. I noticed that in a speech delivered by him some time in September, 1920, General Smuts, the great South African statesman, uttered remarks which seem to me to be not quite reconcilable with the true position of mandated territories. He observed that the territories held under the C. class mandates were practically annexed—that they were annexed all but in name to the territories of the administration of which they formed a part. It is quite possible that in this view the Premier of the South African Union may regard his obligations in respect of the mandated territories as of a purely temporary character, and it may be that in this view these obligations sit rather rightly upon him. But I venture to think, with all deference to that great statesman, who himself was in no small measures responsible for the theory of mandates, that the territories held under the C. class mandates cannot possibly be treated as annexed to the territories with which they are administered. The intention of article 22 of the Covenant seems to me to be perfectly clear. All these territories which are dealt with under article 22 are regarded as a sacred trust of civilisation, and they are all to be administered as Trust States, and it is only the method and



the manner of the administration which varies in the A class, in the B class and in the C class mandates. General Smuts seems to have relied upon the fact that in the mandates applicable to the C class territories, they are to be administered as an integral part of the territories to which they are attached ; but that expression is common both to the C class territories and to the B class territories. You find it in Article 9 of the mandate which applies to the B. Class territories and you find it in Article 2 of the mandate which applies to the C class territories. General Smuts is prepared to admit that the position is different with regard to the B class territories. I submit it is exactly the same with regard to the C class territories as with regard to the B class territories. The trusteeship of these territories is all vested in the League of Nations, and once that trusteeship has been created, the Council, which is what may be called the statutory organ of the League, is responsible ultimately for the welfare of these territories. It must be remembered that a mandate is in theory and in essence removable. These C class territories are a separate legal entity and possess the indestructible potentiality of independent existence.

Article 22 of the Covenant marks a new era in the conception to White races as to their obligations to the colored races. The idea that colored races have rights may not be a new one, but it is the first time that it has been embodied in a solemn document of first rate international importance, like the Covenant of the League of Nations, and it is the first time that safeguards and machinery have been provided for the fulfilment of the obligations implied in this conception. Whatever lip homage the idea may have commanded in the past, it is the first time that it has secured moral acceptance and real adhesion. The committee observes that the prosperity and well-being of the aboriginal population is in inverse ratio to its contact with civilisation. The British member of the committee said that South Africa presented the most striking example of the destruction of the organisation of a native population by the invasion of a White civilisation.

I hope that these chapters in the history of the contact between the White and colored races are closed for good, and that we shall be able to look forward to a reign of humanity and justice.

Even now we hear of the centre of gravity in international affairs being gradually shifted to the Far East and to the Pacific Coast. But why ? Let only the nations of the earth give up their earth hunger and their rivalry and cupidity for markets, and their desire to appropriate vast uninhabited, continental spaces, and we shall be free from the chances of strife and conflict. It is only to the extent that we are able to conquer those cravings for land and for markets, and to the extent that we are able to conquer the vulgar, though deep-seated, prejudice of color, that we shall be able to realise that ideals of humanity and justice, and then only will this Assembly become a real federation of the world and a lasting bond of peace.



# The International Labour Conference

In 1921 as well as in 1922 this Conference was held at Geneva under the presidency of Lord Burnham. The first Conference at Washington in 1919 (*see I. A. R. 1920*) was really only a preliminary meeting; the second Conference at Genoa in 1920 (*see I. A. R. 1921*) was specially convened to deal with maritime questions. The third and fourth Conferences at Geneva were far more important than the previous ones. The third Conference opened on 25th October 1921. It was the first great general Conference and was attended by over three hundred persons. The Conference is the nearest example of a Parliament of the World that is known. Every country of importance, fifty-four States in all, except Russia and the United States, is represented. Each country has two Government representatives, one delegate from the employers and one from the employed, and each delegate might bring as many experts as there were subjects on the agenda. The Conference is in all essentials a popular, not an official body. In this it differs from the Assembly of the League of Nations which is purely official. On all the commissions and committees, both standing and special, the members sit together without distinction of class and to a large extent work together. The Labour Office is controlled by a Governing Body on which eight principal industrial nations have permanent representatives, together with four representatives of the employers and four of the workers.

On the opening day, 25 Oct. 1921, the president, Lord Burnham, was elected and delivered an address. On the second day the hours of work for agricultural labourers were discussed. The French Govt. challenged the right of the Conference to discuss the question as they did not want the interference of that body to ameliorate the lot of agriculturists. The French Labour delegate, however, strongly condemned his Govt. member's opposition. Mr. Joshi, the Indian Labour delegate also spoke on the subject and said that while it was very difficult to legislate for workers under peasant proprietors, such was not the case with reference to tea, coffee and rubber plantations. He supported the French worker and was supported in turn by the British and other delegates. Of other matters which engaged the Conference was technical and agricultural education, disinfection of wool to check anthrax and the minimum age of trimmers and stokers in ships.

The most important subject discussed was, however, the constitution of the governing body. This question first arose at the



Washington Conference in 1919 when dissatisfaction was felt by the non-European delegates, and a resolution expressing it was passed. This question was therefore placed on the agenda of the Third Conference in 1921. That Conference came to the conclusion that full justice could not be done to all parties unless the Versailles Peace Treaty was changed. The governing body consequently framed certain new proposals. These are set forth on p. 243. At the Third Conference in 1921 Mr. Joshi made out a strong case for the inclusion of India and non-European countries on the governing body, and spoke as follows :—

*Mr. Joshi's Speech*

Mr. President, Ladies and Gentlemen, I generally approve of the report which the Commission of Selection has placed before you this morning, but there are a few points in which I differ from the proposals of the Commission as they were placed before you just now.

The question of the representation on the Governing Body, of the extra-European countries, is a very important one, not only from the point of the interests of the non-European countries, but from the point of the interests of the Conference itself. We want this Conference to be really international ; we want it to be joined by all the countries of the world ; we want that this Conference should not only benefit the Governments, employers, and organised workers, but we want it to benefit the large masses of unorganised workers of the world, especially of the Asiatic countries. If you agree with this view, you will easily see how important this question is.

At present the number of countries which have joined this organisation from the extra-European world is a little more than those from the European world, but their attendance is somewhat smaller, on account of some difficulties, and on account of the fact that they have not yet seen the importance of this organisation. But, Sir, this state of things will not last long.

I am quite sure that within a short time the extra-European countries will see the importance of joining this organisation, and it is only then that this organisation will be truly international. Speaking from the point of view of a worker, and addressing my comrades of the Workers' Group, I say this—that all we, workers, know that if our working conditions are to be improved rapidly, or even at all, they can be improved only by international effort. National efforts made for a long time have failed to give the workers what they wanted, and all the workers in the world have now realised that their conditions can be satisfactorily improved only by international action. We therefore must take care in this Conference to make this organisation truly international, and to bring all the workers of the world to take interest in this Confer-



ence ; and one of the means of making them take interest in it is to make them feel that they have proper representation on this body. It is from that point of view that I appeal to my comrades in the Workers' Group to see that the workers of the extra-European countries be properly represented on the Governing Body. Some people seem to think that representation on this organisation should be governed by the amount of organisation of the workers in their respective countries. I differ from that point of view. This organisation is not merely constituted for the organised workers ; it is more intended for benefit of the un-organised workers.

Coming to the Report of the Commission, I should like to say a few words as to their recommendations. In the first place, the Commission recommends that the Governing Body should consider the desirability of certain changes in the Peace Treaty. I do not agree with this view. I do not think that any change in the Peace Treaty is necessary. The number of extra-European countries is much larger than the number of European countries, and, when all these extra-European countries join this organisation and are represented at the annual Conference, I am quite sure they will be able to secure adequate representation for themselves on the Governing Body. I do not feel, therefore, that there is any necessity for making a change in the Peace Treaty. From the point of view of the extra-European countries, there is, in my opinion, a danger in fixing, by a change in the Peace Treaty, the proportion of representation on the Governing Body to be allotted to European and extra-European countries. If the proportion is fixed to day, it will be much smaller than the extra-European countries deserve, and, being fixed in such a manner, it will be difficult to get it changed after a few years when the extra-European countries are better represented in the Conference. I feel, therefore, that, from the point of view of the extra-European countries, the fixing of a certain proportion of representation between the extra-European countries and the European countries will not in the long run, prove to be at all in the interests of the extra-European countries.

Then, Sir, there is another proposal, namely, with regard to substitutes. I was on the Sub-Commission which discussed the matter, and my impression is that, in connection with these proposals, there was a certain recommendation made that, out of the six substitutes given to the employers and the six given to the workers, there should be a proportion of substitutes fixed for extra-European countries. Unfortunately, I do not find any reference to that in the Report at all. I hope the Reporter will give some explanation of this.



I differ from the view of the Commission as to the giving of power to those countries which are already represented on the Governing Body,—power to appoint substitutes from their own country. That proposal means giving to those countries which are already represented on the Governing Body instead of one, and I do not think there is any necessity for it.

Then there is the question of the proportion of seats on the Governing Body reserved for the three groups. In the case of the Government Group, the Report recommends that one-third of the seats should be allotted to extra-European countries, but in the case of the workers' and employers' groups, the Report recommends that only one-sixth of the total number of seats should be so reserved. I fail to understand why this difference has been made by the Commission of Selection. If the extra-European Governments deserve a representation of one-third, I do not see why the workers and employers should not have the same representation. The only explanation, to my mind, of this difference, is that the Governments have two votes each to the workers' and employers' one, and the Commission of Selection thought that if they could satisfy the Members of the Government Group of the extra-European countries there would be no need to trouble about the representatives of the employers' and workers' groups. There is no other explanation, to my mind, of this difference. It may be said that the workers' and employers' groups of non-European countries are not satisfactorily represented here. That may be true, but what is the best way of inducing them to come here? To my mind, it is to let them feel that they are treated very generously here.

There is another point. If the number of extra-European countries who have sent employers' and workers' Delegates is very small, I would nevertheless ask the Conference to remember the number of workers they represent. The Indian Workers' Delegate and the Chinese Workers' Delegate (they were here) would represent 500 million wage-earners, while the whole of the European Workers' representatives would not represent that number.

I feel that there is not much force in the argument used that in this Conference to-day the number of Workers' Delegates from extra-European countries is not very large. I am sure that if the workers from the extra-European countries feel that they are generously treated here, the number of their representatives will increase year by year. I hope that this Conference will take a very generous view of the demand made by the workers and employers of the extra-European countries, and that the proportion which has been fixed by the Commission of Selection for their representation will be changed in their favour.



# International Labour Conference

GENEVA, 9TH. NOVEMBER 1921

## The Secretary-General's Report

On November 9th 1921 the report of the Secretary-General of the International Labour Office was the matter of discussion. Mr. Joshi, the Indian Representative was given the first chance to raise a question of enquiry, highly important to India.

Mr. Joshi said :—Mr. President, Ladies and Gentlemen.—The first question about which I should like the Director to give an explanation is the appointment of people of different nationalities to the staff of the International Labour Office.

As the Labour Organisation is international, its composition should be truly international, and therefore its staff should contain members from all the countries of the world—at least from those countries which are Members of the Organisation. From the Report we find that the Staff of the International Labour Organisation mostly includes Members from four countries, namely, Switzerland, England, France, and the United States of America. The other countries of the world are very poorly represented on the staff. I see from the Report that the Director makes it a point of efficiency, and therefore refuses to lend countenance to the argument that the Staff should include Members of all different nationalities. I should like to know from him whether it is not an element of efficiency that people on the Staff should have personal knowledge of the different countries which are Members of the International Labor Office? Personally, I believe that the Staff of the International Labor Office cannot work efficiently unless they possess personal knowledge of the different countries. Therefore, I feel that the Director should change his policy and should try to put on the Staff people from the different nations, especially from Asia and countries like India, Japan and China. Sir, I do not base my argument on the principle of securing a few jobs for my own countrymen; there is enough work for my own countrymen to do in my own country. But I base my argument upon this ground, that we, in Asia, and especially in India, want some of our men to be interested in the International Labor movement and we want some of our officers to catch the international



spirit. But I do not think they will really secure this advantage until some of the members from our country are placed on the staff of this Office. Moreover, if some people from Asia, particularly, India, Japan and China, are placed on the staff of the International Labor Office, these people will catch a sympathetic spirit for the International Labor movement. If they do that, when they return to their country after some years of service in the Office, they will prove themselves to be the missionaries of the International Labor movement. I base my argument chiefly upon this principle, that I want some of my countrymen to come here and to learn the International Labor movement and then to return to my country to be the missionaries of this movement. I should like the Director to give us some information on this point.

There is another question upon which I should like to have an explanation from the Director, and it is this. The International Labor Organisation maintains some agents in some of the countries of the world to collect information and to distribute information throughout the different countries, such as England, France and the United States of America. But I find that the International Labor Organisation does not maintain any agent in any of the Asiatic countries. I should like to know from the Director whether he does not attach any importance to securing information about the Asiatic countries, such as India, Japan and China, with regard to Labor questions, and if he does attach importance to it, I should like to know why he does not maintain any agents in any of the Asiatic countries. If it is difficult for the Director to secure information about any countries in the world, those countries are not England, France or the United States of America. He can secure all the information he requires about those countries from the newspapers and from the organisations for the different movements, such as the Labor movement and the Employers' movement, and he can also obtain information from the Government publications. But I am quite sure that he must find it very difficult to secure information about Asiatic countries. Therefore I feel that it is absolutely necessary for the International Labor Office to have agents in Asiatic countries, such as India, China and Japan, because then, and then only will the International Labor Office be fully informed on these questions.

**The Secretary-General replied to the speech as follows :**

**The Secretary-General :** The question which has been raised by Mr. Joshi is not by any means a new one to the International Labor Office ; it is one with which we have been familiar for some



time. The question was much discussed in the Commissions and in the Assembly of the League of Nations, and the Office is well aware of the necessity of having as extensive an international staff as possible.

I have explained in the Report which is before you, in Section 47, the conditions under which the staff of the International Labor Office is recruited. "According to article 395 of the treaty the staff of the Office shall be appointed by the Director, who shall, so far as is possible, with due regard to the efficiency of the work of the Office, select persons of different nationalities. A certain number of these persons shall be women".

You will notice that the first consideration is that the staff shall be efficient, and that subordinate to that is the provision that persons of different nationalities shall be selected. This is the policy which the International Labor Office has followed.

We have already, in the International Labor Office, the representatives of 21 nationalities. It is true, as Mr. Joshi has pointed out, that the members of the staff are predominantly French and English, but the reason for that is that the work of the Office has to be carried on in the two official languages of the Organisation. It has frequently happened in our experience that extremely well-qualified persons in some special department are not sufficiently conversant with the French and English languages in order to express their thoughts and their ideas properly in those two languages and it has been necessary to add to them a staff of persons who are competent to put their ideas into proper form in either English or French.

However, the Governing Body and the Director will not lose sight of the necessity of augmenting the staff from members of other and distant nationalities, in proportion as it is necessary to obtain information, and to avail themselves of their assistance.

I might say, although we have not yet an Indian in the Office, we have an ex-member of the Indian Civil Service with the staff, who performs most useful work in keeping in touch with what goes on in India by following matters of national life from newspapers and so on, and we have already taken steps to secure two Indian officials. Negotiations are in progress with the Indian Government with a view to obtaining the services of these two Indians.

I may also say, as Mr. Joshi has mentioned, that we have had for some time, one permanent Japanese official, and we have also another Japanese official who has been seconded to us.



Mr. Joshi also raised the point of national expense. Always with the wish that the Office should have at its disposal as much information from distant countries as possible, he asked why we have no national correspondent in India, as we have in London, Paris, Berlin, Rome, and Washington. Well, if the Governing Body had only the means of establishing national offices in cities of these different countries, and in other cities of Europe, it would welcome the opportunity with joy. The reason why there are not more national offices is, that there are not more funds, and if I may say so, without malice, it is the very representatives of those distant countries, who were anxious to diminish our budget at the Fourth Assembly of the League of Nations. It is necessary, therefore, if they desire to have more offices of this kind established, that they should give instructions to their representatives on the League of Nations to provide further means of establishing them.

There are, of course, two other ways in which information may be obtained. The first is those means which depend on the Office itself. But there is also another way which I would recommend to the notice of the Delegates who are here from all countries. The countries themselves may help the International Labour Office very much by establishing special services for the supply of information to that Office. I would like to cite the case of Japan, which, for some time now, has had a delegation with the International Labor Office under the leadership of Mr. Inuzuka. He has a delegation with him composed of 18 Members. Of course, I realise it is not possible for other countries whose exchanges are not so favorable as Japan's, to send delegations of this size to Europe, but it might be possible for countries to send to Geneva either a social attache or agent, or to make arrangements with their countries for a special supply of information to be sent to the International Labor Office.

Therefore, in conclusion, in reply to this question, I beg to say that the International Labor Office is doing all it can to make its staff as international as possible, and, secondly, I hope that all the Delegates of the countries here will do their best to secure to the International Labor Office such information as it is possible to obtain from all the countries belonging to the Organisation.

In the course of the debate on other items of the Report Mr. Gupta made a speech but fortunately has not involved the Government of India in giving his opinion on the status of the International Labor Conference of the League of Nations. Mr. Gupta's speech came as a great surprise to many when he made out that the Conventions and Recommendations passed by the Conference are "not



more than mere suggestions." It was an unfortunate pronouncement and I for one do not see what was the necessity for Mr. Gupta to take that line and try to lower the dignity and importance of the Labor Conference. Such words on the lips of a labor leader may have some meaning and significance but coming from a Government delegate, they are somewhat unfortunate. Mr. Joshi made a reference to the speech of Mr. Gupta when he spoke on the Maritime Commission Report.

**Mr. Gupta (India)**—Mr. President, Ladies and Gentlemen, it is not in my capacity as a delegate of the Government of India that I am here to say a few words on the very important, nay, almost vital question that is under discussion now with regard to the real functions of this Assembly, and as to how far this Assembly has been able to realise its duty, and as to how far it has been able to satisfy the aspirations and hopes which have been raised in the minds of its members and of the outside world. I cannot pretend to speak on behalf of the Government of India, because any view that I might express now will not bind my Government, in any way. Nor is my Government, from this particular point of view, namely, the realisation of the expectations raised by this Assembly, in any need of defense or explanation, for, as I said on a previous occasion, the Government of India is one of the few Governments who have been able to ratify and to carry out its obligations as far as it has been possible and practicable. As I said, Ladies and Gentlemen, it is a very important issue which has been raised. I think a great deal of the mist and confusion regarding the subject will be cleared away if we realise what the functions are of this Body, what its powers are, and what it is capable of performing. I do not think it will be maintained for a minute that this is a Legislative Assembly, capable of legislating for nations which have joined this Organisation. No matter by what name we call the suggestions and the recommendations we make—whether we call them Conventions or Recommendations—they are, when stripped of technicalities, no more than mere suggestions for the consideration of the Governments before whom they are placed. But that does not take away, in my opinion, the value and importance of this Organisation, which is the only Organisation that has ever existed, in modern times at least comprising all the interests concerned, namely, Governments, employers and workers, which have anything to do with the alleviation of the conditions of laborers. It may not have been able to achieve very much which appeals to our imagination at the present time, and much does not come up to our expectations probably, but we must allow for the short time during which it has been at work. In my opinion the great value of this Organisation is the creation of public internation-



al opinion. If we are able to do that we shall achieve what is really the ultimate object of this Assembly. For what, after all, is at the back of the legislation and enactments of different Governments? It is the enlightened public opinion of the country concerned. If we are able to achieve that we shall, perhaps not to day, but at no distant time, persuade those Governments to fall in line with the suggestions which we are making. Not for a moment do I suggest that there are not various directions in which improvements can be made, both in the constitution and in the procedure of this Assembly, but what I do wish to maintain is that we must not have ill-conceived notions or wrong notions of its powers, and allow ourselves to be disappointed because these imaginary things have not come to pass. Addressing myself for a moment to my brother Labor delegates who have expressed a note of dissatisfaction, I might say this—that if different countries have not been able to ratify the Conventions, it must be due to one or two reasons. Either, first of all public opinion in the countries concerned has not perhaps been ripe to carry out the suggestions which we have placed before them, or perhaps the conditions obtaining in that country are such that any general recommendation which we have been able to make is not suitable for that country, at least at the present stage. Therefore, I say to my brother Labor delegates that they must have patience, and they must allow time for public opinion to be created in those countries. As my friend Mr. Crawford suggested, it would be a very good thing indeed if branch organisations were started in different countries, inter-connected with this central Organisation, to create public opinion in those countries. I can quite understand the difficulty of the position of my fellow Labor Members. They have an impatient constituency to satisfy, and when they go back from this Assembly naturally they will be asked what schemes of amelioration they have been able to bring with them. I heartily sympathise with them.

For twenty years of my life, I have been an Administrator in Bengal. The chief object of my duties was to raise the condition of the masses of my countrymen. There is no duty which is more sacred to me than the task of raising the condition of the masses of my countrymen. Knowing as I do, what that duty is to me, I can quite realise how the same feeling is raised in the minds of my fellow Labor Members, and that other Members who represent other Governments, have the same kind of sentiments. But want of co-operation, the want of putting oneself in the position of the men who are responsible for carrying out legislation on those lines, will not help us. I, therefore, appeal to my brother Labor Members to have patience, and to have the spirit of co-operation, because it



is on this fundamental principle of federation and co-operation that this Organisation mainly rests.

I have nothing more to add, but I will say this, that perhaps some amount of confusion has been created by not being able to realise exactly what the function of this Assembly is, and also, to some extent, by the want of patience in allowing the great measures which have been discussed to have sufficient time to sink into the minds or the people and to have time to fructify.

## The Maritime Commission of the International Labour Conference

Early in November 1921 the Maritime Commission of the International Labour Conference at Geneva recommended eighteen as the minimum age for stokers and firemen excepting in the case of Japan and India, where a minimum of sixteen was fixed. This was subject to (1) a certificate of physical fitness, (2) employment being confined to coastal traffic, (3) regulations of employment after consultation with the most representative organisations of the employers and workmen in these countries.

Mr. Joshi (India)—I approve generally of the Report of the Maritime Commission, but I rise to take exception to some of the statements regarding India and Japan which the Report contains. I will read some of those statements to which I take exception :—  
“The point of view of these countries was based on consideration of earlier and more precocious physical development.” “In these countries a young person of sixteen years of age is often a full-grown man, and can work under conditions similar to those under which a European of eighteen years of age can be employed. It has been considered that, in the interest of vocational education in these countries, youngmen should be permitted to begin to acquire the experience necessary for their future career at an earlier age.”

I should like to know from the *Reporter* of the Commission what is the meaning of “earlier and more precocious development” which is said to take place in the case of youths in India and Japan. Is it meant that in India lads become full-grown men at the age of sixteen, while they become full-grown men at the age of eighteen in Europe? I do not believe that the growth of youths in India stops at the age of sixteen. I believe, if they are engaged in the engine-room of a ship at the age of sixteen, their growth will be checked to some extent.



Then, again, it is stated that they want to give this concession to India and Japan to provide a sort of training for the Indian and Japanese youths.

Sir, I have heard this argument several times, and I am really disgusted to hear it again. Is it a training for a young lad who cannot read and write to go on a ship and be engaged as a trimmer or as a stoker? The same argument I have heard several times used in the case of lads of nine when they are to be employed in factories. They employ the lads in India at the age of nine or ten as a sort of training or education. The Government will not give the people a literary education or send them to school: there is no compulsory education, so they want to give this employment as a sort of education and training for young lads. I am very sorry to see that the Commission has approved of these statements and put them in the report. I, therefore, do not approve of the expectation that is being made in the case of India in this respect. But, Sir, although I do not approve, I am not going to move an amendment. I am quite sure if I move an amendment, this Conference will pass it, but I do not take that course, and my reason is this. Yesterday you must have heard from the Government delegate of my country that he regards the Conventions and Recommendations of this Conference as mere suggestions, the Governments may accept or may not accept. I do not take that view of the Conventions and Recommendations of this Conference. I consider the work of the Commissions as negotiations, and I consider the results as binding upon all those who approve of those negotiations. But, Sir, I know the attitude of my Government towards these questions, especially towards our seamen. You know that last year the Genoa Conference was held and it passed several Conventions and Recommendations. Our Government sent a large delegation to Genoa, but when the Conventions and Recommendations were considered by the Government they refused to accept them. The seamen of my country are sorely disappointed at the attitude of the Government towards this subject. Unfortunately you all know, having heard yesterday the discussion, that this Conference has no effective method of protesting against the action of any Government not ratifying the Conventions and Recommendations. I, therefore, feel that I shall not be serving the interests of the seamen in India if I move an amendment, and even get it passed, and diminish the responsibility of the Government delegates of my country to that extent.

Mr. Chatterjee (the Govt. representative) made a reply to Mr. Joshi in the following speech.



Mr. President, Ladies and Gentlemen, I crave your indulgence for a few moments only, in order to give a few explanations with regard to some of the statements made by my friend Mr. Joshi, the Delegate of the workers of India.

I think Mr. Joshi has rather misunderstood the entire trend of the *Reporter's* statements with regard to the Recommendations of the Maritime Commission. He has lost sight of the fact that India has agreed to the age of 18 for Trimmers and Stockers for ocean-going vessels, and has asked for a slight modification only with regard to coastal trade. The *Reporter's* speech has made it quite clear to you that India, in this respect, has gone very much further than Japan, and exactly the same modifications that India has asked for have been asked for by many of the maritime countries in Europe also, although they have not been granted by the Commission.

Mr. Joshi has objected to the statement that in India boys of the age of 16 are much more developed than boys of the same age in Europe. I do not think that anybody in this Assembly will deny that in Asiatic countries children do grow much more rapidly than children in the Northern and Western hemispheres. This fact was clearly recognised in the Treaty of Peace, where it was laid down that countries with special climatic conditions should always be entitled to special consideration in regard to the Draft Conventions and the Recommendations that were to be passed in this Assembly. It is because at Washington such special modifications were made in the various Draft Conventions and Recommendations that were passed, that we, in India, were able to accept practically all the Recommendations and all the measures proposed, substantially and for all practical purposes. I must express the gratitude of the Indian Government Delegates that this modification has been accepted, and I think that we shall now have very little difficulty in persuading the Indian Parliament also to accept the measure as proposed, with this modification.

Then Mr. Joshi turned to the argument that it is no use raising the point that if you reduce the age from 18 to 16 the boys will get some facilities for training. Mr. Joshi suggests that these boys who cannot read and write at the age of 16 will then go to school at the age of 16 and learn to read and write between the ages of 16 and 18. It should be remembered that the Representatives from India were quite willing to agree to the age of 18 for ocean-going vessels. Trimmers and Stockers employed in India and going on ocean-going vessels have to work in the heat of the Indian Ocean and of the Red Sea, whereas Trimmers



and Stockers who are only employed along the coast of India enjoy a very much milder climate which inures them to the hardships of maritime life, if they get this earlier training. That is what we really referred to.

Then again, Mr. Joshi has raised the old argument of the age of 9 for the employment of children in factories in India. Mr. Joshi is perfectly well aware that the Indian Government have themselves suggested to the Indian Parliament that the age of 9 should be raised to the age of 12, and they have gone even further than the Recommendation made at Washington in suggesting that the age of the half-timers should be raised from 14 to 15. And I also regret that he should have taken exception to the statement made by my colleague Mr. Gupta in this Assembly yesterday. Mr. Gupta was talking of the legal implications of the Draft Conventions and Recommendations passed by this Assembly. He never suggested that the Draft Conventions and Recommendations would not be seriously considered by the Indian Government. Mr. Joshi is fully aware that the Draft Conventions and Recommendations of Washington were placed before the Indian Parliament as soon as that Parliament met. All the Draft Conventions and Recommendations that required any steps to be taken were placed before the Indian Assembly, and the Indian Assembly supported those Draft Conventions and Recommendations to the best of their ability, and practically all of them were accepted by the Indian Parliament in both their Houses.

The President—I must remind Mr Chatterjee that he has only two minutes left.

Mr. Chatterjee—I have only to refer to Mr. Joshi's statement that the Draft Conventions and Recommendations at Genoa have not yet been accepted by the Indian Government. I do not want to tire this Assembly with a detailed account of all that has taken place, but most of the Recommendations that were passed at Genoa have received the most careful consideration by both the Central Government in India and the Provincial Government. In addition, at a recent Meeting of the Indian Parliament, it was decided that the majority of these Recommendations should receive further consideration.



## Proceedings of the International Labour Conference 1922

The International Labour Conference of 1922 was held at Geneva from the 18th October to the 3rd November. The original agenda circulated to Governments contained only three items, namely, the reform of the governing body so as to secure some minimum representation on it, the periodicity of the Conference, and the collection of emigration statistics. Besides these, the Conference considered the following three items: the Directors' report, method of amendment of the Convention, and unemployment. There were also certain resolutions. The Conference resolved itself into a number of commissions or committees, of which the committee of selection, or subjects committee, was the chief. On this committee the Government of India were represented by Sir Louis Kershaw. Mr. Joshi was elected by the Labour group as a substitute member. The first three items on the agenda were considered by this commission, upon which the Government of India and Indian employers of labour were represented.

As regards the reform of the governing body, the constitution was: twelve members representing Governments, of whom eight were permanent members, including India, which had been recently included, and four were elected by Government delegates; besides six representatives of employers and six of workers, or 24 in all. The reform suggested by the governing body was that the total number should be raised to 32, of which 16 should be Government representatives, and of these only six should be permanent members, unseating Canada and India, and that the others should be elected. Out of these, four should be non-European. The permanent six members were to include Japan and the United States. Thus, out of 16 Government representatives, non-Europeans were to have six. This proposal was opposed by the delegates of the Government of India on this committee, but the proposals of the Governing Body were carried by a majority. In the general conference, however, the Canadian Government delegate moved an amendment which was seconded by Mr. Joshi, raising the number of permanent members to eight, so that Canada and India might get their places. This amendment was carried by a majority. Mr. Basu in his speech made a feeling appeal to the English and French delegates and the European delegates at large. As regards Workers and Employers the new proposals made were that they should have



eight seats each, of which two shall be reserved for non-Europeans. Knowing that the non-European countries are at present sending four workers' delegates, Mr. Joshi contented himself with moving that the words 'at least' be inserted in the clause reserving two seats. This, however, was not accepted, though he made strong speeches in support of his amendment, both in the Committee and in the general conference, pointing out, as a non-European, that he was not prepared for non-European workers to be in a permanent majority, and also the importance of treating them fairly in order to make the Conference truly international.

As regards the amendment of the Standing Orders the only important change proposed was that which enabled the Conference to appoint the governing body as a committee of selection or subjects committee. Mr. Joshi opposed this change in Committee but was defeated. Determined however to secure his point, if possible, he again opposed the proposal in general conference, and succeeded in getting it defeated by a large majority. His points were that as the governing body was the executive of the Conference, the latter had to consider the action of the former, and it was not fair, therefore, that the governing body should be in a position to fix the subjects to be discussed in Conference. If the governing body did not like certain matters to be discussed, as a committee of selection it would have power to prevent discussion on that matter. This argument strongly appealed to the Conference. His further point was that distant countries could not be represented on the governing body, but, as their delegates attended the Conference, they could at least be members of the committee of selection.

As regards the frequency of the holding of the Conference, a proposal was made to do away with the necessity of holding annual conferences, and of allowing the governing body to summon them either annually or biennially. The Government of India was in favour of a biennial conference. Mr. Joshi, however, supported the annual conference on the ground that these conferences were useful in maintaining enthusiasm for Labour improvement. Although the new proposal was defeated in committee, it was opened for discussion in the general Conference which, however, decided in favour of holding the Conference annually.

In dealing with the Directors' report, Mr. Joshi was the first speaker pointing out that the statement of accounts should be given in greater detail, and that the praise given by the director to the Government of India should have been more discriminating, as their Labour policy latterly was becoming reactionary.



The Conference adopted a recommendation requesting the Government to supply to the International Labour Conference standardized information regarding emigration, and a resolution regarding the necessity of co-operation between different countries to relieve unemployment, and of suggesting various remedies.

As the Conference found the subject of the amendment of the Convention too tough for solution, it was left open for further study and consideration in the future.

Mr. Joshi had given notice of his intention to move a resolution asking the Conference to appoint a special committee to investigate the condition of life and work of the working classes in Oriental countries, and report to the next Conference. The committee of selection had approved of placing his resolution before the Conference in an altered form, asking the International Labour Office to make a preliminary investigation and report to the next Conference. This amendment he accepted. In the general Conference, however, Sir Louis Kershaw moved an amendment that the Governments of the countries concerned should be communicated with as regards the possibility of such an enquiry. This amendment was carried. The Greek Government delegate moved a further amendment that the word 'Eastern' which was wrongly used by the official draftsman for Mr. Joshi's word 'Oriental', should be substituted by the word 'Asiatic'. This amendment was carried by a majority. Sir Louis Kershaw, who did not want the resolution carried, drew the President's attention to the fact that there was no quorum ; it was, therefore, declared lost. When the resolution, as amended by Sir Louis Kershaw, was put to the vote, although it secured a majority, the total number of votes cast was found to be insufficient for a quorum, and it was, therefore, lost. This clearly showed how the European countries were indifferent to questions affecting the workers of Eastern countries.

The International Labour Office maintains offices of its correspondents in London, Washington, Berlin, Paris and Rome. In 1921 as well as in the last year in his speeches on the Directors' report Mr. Joshi had pointed out the necessity of maintaining similar offices in India and Japan. In the last Conference he persuaded his Japanese colleague to propose a resolution which he seconded, recommending the proposal which was then sent by the Conference to the governing body for consideration.

During the discussion on the report of the Credentials Committee, Mr. Joshi entered an emphatic protest against the action of the Government of India in not sending Advisers to the Worker's delegate, although their appointment was recommended by the All-



India Trades Union Congress. He also protested strongly against the action of the International Labour Office which had made a suggestion in an official circular letter that there was no necessity for the appointment of advisers in last year's Conference. He pointed out that the office could not issue such a suggestion without a mandate from the last Conference.

## Lord Chelmsford at the League of Nations

Lord Chelmsford, however, took up the cause of India. At a recent meeting of the Council of the League of Nations he pleaded successfully India's claim to a place upon the governing body of the International Labour Office. In putting the case for India, he said :—

I desire to thank the Council for its courtesy in allowing me to represent India's case before it to-day. I crave the indulgence of the Council while I develop that case, because I am conscious that the Council might have thought it sufficient for me to have presented on behalf of India a memorandum in regard to this question ; but India feels so very deeply on the matter that I felt bound to ask for permission to speak.

In 1919 this matter was decided by the Washington Conference, and India suffered a very grave disappointment on that occasion. I happened at the time to be Viceroy of India, and I can very well recollect the strong feeling of disappointment expressed by India when that decision was taken. India, however, showed no pique or resentment in the matter, and when the Washington resolutions were transmitted to the various Governments, India, I believe, was the first country to pass those resolutions into statutory enactment.

India has also, apart from its disappointment over the decision of Washington, been somewhat bewildered by the attitude of the League towards her claims. Two committees of the Council have been considering questions concerning India, one to consider her capacity to pay towards the expenses of the League, and the other to consider India's status as a country of industrial importance. When it is a question of paying her share towards the expenses of the League, India has the capacity to pay. When it is a question of the industrial importance of India, India finds that her total population, through the use of the relative criteria, is used to water down the figures of her industrial population.

I need not remind the Council of the way in which this question has come before it, as this has already been described in the report of Viscount Ishii which has just been read, and in the other papers before the Council. I wish to speak now of the report of the committee to which this matter was referred, and I should like to say at once that I appreciate in full the skill and industry which has been shown in that report. I may say emphatically, however, on behalf of India, that I am bound to differ most fundamentally from the principles which have been adopted by those who investigated this matter. In the memorandum from the Indian Government which is before the Council (Annex. 420A,) India has already subjected the Committee's report to a very searching criticism, and I shall not repeat to-day the arguments which are contained in that memorandum. It may be asked, ' What constructive proposals have you to make in place of those contained in the report which your memo-



random has purported to destroy?' I suggest that the committee which investigated this matter need have gone no further than the preamble to Part XIII of the Treaty of Peace, and I will ask the Council to allow me to read the preamble and Article 387 which follows it, because it is upon that preamble that I shall base India's substantive case to-day:—

'And whereas conditions of labour exist involving such injustice, hardship and privation to large numbers of people as to produce unrest so great that the peace and harmony of the world are imperilled; and an improvement of those conditions is urgently required; as for example, by the regulation of the hours of work including the establishment of a maximum working day and week, the regulation of the labour supply, the prevention of unemployment, the provision of an adequate living wages, the protection of the worker against sickness, disease and injury arising out of his employment, the protection of children, young persons and women, provision for old age and injury, protection of the interests of workers when employed in countries other than their own, recognition of the principle of freedom of association, the organisation of vocational and technical education and other measures;

'Whereas also the failure of any nation to adopt humane conditions of labour is an obstacle in the way of other nations which desire to improve the condition in their own countries.

ARTICLE 387.—'A permanent organisation is hereby established for the promotion of the objects set forth in the preamble.'

I think it is clear from these words that the human element should be the chief concern of the International Labour Office, and, therefore, it is the human factor which must be of paramount importance in deciding what constitutes a state of chief industrial importance. If population alone were to count, India's claim would, I contend, be indisputable. There are, however, two objections which might be urged to this. It might be said that the ratio of the wage-earning population to the total population must be taken into consideration. Why? This is one of the criteria appearing in the report of the committee, but surely the wage-earning population does not cease to have a claim because it lives side by side with a large number of people with whom the International Labour Office is not concerned. There is a second objection which may be urged, namely, that the trade union organisation of India is rudimentary. There is no mention of any such condition in the preamble to Part XIII of the Peace Treaty. Further, I would urge very strongly that for this very reason it is necessary for the International Labour Office to encourage India to perfect its industrial organisation. Consider how useful it would be for the Labour Office when it is examining the case of backward populations in connection with industries, if it had to help and to guide it a representative of India who was thoroughly conversant with the conditions of the industrial population of that country. Again India is not reactionary in this matter. I beg to repeat that India was probably the first, or one of the first, countries to convert the resolutions of the Washington Conference into statutory form. I shall not dwell on the question of the population, since in paragraph 7 of the memorandum from the India Delegation the whole of our argument on population is fully developed. I should like to say, however, that whatever figures are taken, whether M. Gini's or our own, and whatever reasonable deductions are made from those figures, the figure of the wage-earning population of India must still remain decisive, if the human factor is given the importance indicated by the Treaty.

I pass now to the other criteria which are mentioned in the report of the committee: railways and horse-power. India is not afraid of being tested by



any of these criteria. As regards railways it appears as third among the list of nations. As regards horse-power it appears as ninth. Why should the development of maritime tonnage be regarded as a criterion? If it is a criterion at all it is a criterion of commercial and not of industrial importance and even here, if the human factor is taken into consideration, India has 141,000 maritime workers as lascars on British ships and on ships of other nations. The fact should surely appeal to the Council, if the human factor is taken into account.

Let me make a concrete test of the value of this criterion. I suppose the United States of America before the war, if this test were applied—I mean the test of its development of mercantile tonnage—would not have ranked as a great industrial state at all. Surely, merely to make this statement, as a result of this test, is to prove it, as Euclid says, as absurd. Why not take trade as some indication of the industrial position? When it was a question of India's capacity to pay, the League itself included this criterion in the table designed to settle India's contribution. From the trade figures of 1913, India was ranked fifth; from the figures for 1919, India was ranked third. These figures are taken from table 2 in the memorandum by the Secretary-General on the allocation of the expenses of the League of Nations.

I pass over the relative criteria which are dealt with in paragraph 4 of the memorandum from the Indian delegation. I feel sure that anyone who reads paragraph 4 of that memorandum will realise that it has fully met the arguments in the corresponding part of the committee's report. Similarly I will pass over the weighing method adopted by the committee; this would have been unnecessary had it not been for the adoption of the unsound principle of relative criteria. I proceed now to develop India's substantive claim. I am most anxious to be as concise as possible, and therefore, if the Council will allow it, I will read the last paragraph of our memorandum because it states that substantive claim as concisely as possible,

As evidence of India's industrial position, let me remind the Council very briefly of the part she played in the war. In doing so, I am making no appeal to emotion, but merely giving proof that what she did could only have been done by a great industrial State. As regards the mining industry it was her coal that largely equipped all the shipping of the East. Her wolfram, manganese, mica and saltpetre industries were indispensable to the Allies. It was scarcely possible to conceive how the Allies would have fared without jute products. Her cotton and woollen industries to a large extent supplied the needs of the British and some of the Allied forces. Her hide industry supplied boots for the Indian and English Governments. The iron and steel industries of India were responsible for the railways in Palestine, East Africa and Mesopotamia. India served as a base for food supplies for all the campaigns in the East.

I have almost hesitated to place these facts before the Council, because it might appear that I was attempting to prove too much. India, however, is a long way off and she is scarcely known even in Great Britain. I have been there over five years as Viceroy, and therefore I am speaking of what I know. If any member of the Council would care to assure himself that what I have said is strictly accurate, there is a book in the library here from which I have taken these figures, namely, 'The Moral and Material Progress Report for India, 1917-18.'

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# Mr. Joshi on the Director's Report

On the 20th Oct. 1922, the Director of the International Labour Office introduced his report for discussion. Mr. Joshi said in the course of his speech :—

We have got in my country what are known as Indian States. They have not yet ratified any of our conventions and recommendations. These Indian States can not be considered as outside the League ; as a matter of fact, they are in the League. I know that their representative attends the Assembly of the League of Nations as a member of the Indian Delegation and I suggest that the Director of the International Labour Office should interview the representative of the Indian States and use his influence with him to persuade him to give effect to the recommendations and conventions drawn up by this Conference.

## Maternity Report

The fourth point to which I wish to make reference is the Maternity Report presented by the Government of India to this Conference last year. I then asked the Director whether he was going to submit this report to the governing body and place the view of the governing body before this Conference. I think I am right in saying that the Director stated that in the course of time the report would be presented to the governing body. But I do not gather from his report that this has been done. I again suggest to the Director that this report should be placed before the governing body or directly before the Conference. The Government of India in that report declined to take any steps or to do anything in regard to the maternity question, and personally I think it is high time that they did take steps in this matter.

The fifth point to which I wish to draw the attention of this Conference is the reference in the report to special countries—countries which are considered to deserve special consideration on account of their climatic and other conditions. Last year, in my speech on the report, I suggested that the International Labour Office should make a special study of the conditions of life and work in those special countries and that the Conference ought to pay some attention to those countries.

There are many countries which are not represented here by the Workers' Delegates, specially the Oriental countries, which are considered to be special countries. There is an idea in some quarters in this Conference that it should pay special attention



to those countries where the workers are organised. In my opinion it is a great mistake, a very sad mistake, to neglect those countries where the workers are not organised. As a matter of fact, the report admits the danger of neglecting these countries. The organised workers not only have to meet the opposition of the employers in their own countries, but they must understand that there is great danger to their interests from the unorganised workers themselves. I therefore, earnestly hope that the workers' group in this Conference, and, indeed the whole Conference, will devote special attention to these countries. If the Conference does not take special measures to consider the conditions of life and work of the working classes in the special countries, I propose myself to move a resolution in this Conference on this matter.

#### The Government of India

Then, sir, I would like to say one word about the praise which the Director of the International Labour Office has bestowed upon the Government of India. I admit that praise is not wholly unmerited. There is no doubt that the Government of India did their best to ratify the conventions passed at Washington, but I am afraid their attitude towards the Conference held at Genoa is not the same. The Director ought to have known by this time that they had practically refused to ratify the Genoa conventions and recommendations. I do not know whether they ratified entirely any of these conventions and recommendations; they may have ratified one convention conditionally. I do not think they have done any thing more than this.

Therefore, although I consider that the Government of India do deserve some praise for their attitude towards the conventions and recommendations passed at Washington, I request that the Director of the International Labour Office should be more discriminating in his praise of that Government. My fear is that unless he does that, the attitude of the Government of India towards the conventions and recommendations passed by the last Conference will be still more reactionary. Some of the conventions and recommendations passed last year at Geneva have already been considered. The last meeting of our Legislative Assembly considered the recommendation concerning the weekly rest day in commercial undertakings, and the Government of India refused to do anything beyond sending copies of the recommendation to the Provincial Governments. They did not even ask for reports from these Governments.

Now, if we can judge what is to follow from their attitude towards the other recommendations and conventions, I think the



Director of the International Labour Office will have cause to regret praising the Government of India in these unqualified terms.

I bring my remarks to a close after having said only one word regarding the suggestion which I made to this Conference last year that the International Labour Office should open branch offices in Oriental countries. I cannot see why they should maintain offices in Berlin, London, Paris and Washington and not in India and Japan. Does the Director think that he has sufficient information about these countries while he cannot get information about the conditions of life and work in London and Berlin? Surely if there is any necessity to have branch offices in any countries, it is the Oriental countries. Very few delegates in this Conference know anything about the conditions of life and work in those countries, and if the International Labour Office maintains offices there, the Conference will be in a much better position to judge of those conditions.

### The Constitutional Reform

At the sitting of the International Labour Conference at Geneva on October 30th, Mr. N. M. Joshi, speaking on the second report of the Commission on Constitutional Reforms, said :—

The Conference will remember that these proposals arose out of some dissatisfaction which was felt by the non-European countries when the first Governing Body was elected at Washington. The Governing Body considered this question at last year's Conference. After the last Conference, the Governing Body again considered the question, and the proposals which we have before us have been considered by the Commission especially set up by this Conference, but during the course of developments of these proposals, it seems to me that some change has come about, not only in the proposals, but, in my humble judgment, even in the original object out of which these proposals emanated.

Those who were dissatisfied at Washington in the first place did not suggest, nor did they want, any change in the Peace Treaty. Most of them thought that their object would be served very well if a recommendation of this Conference were made to the several groups that reasonable representation be given to the non-European countries. They were quite sure that if a recommendation were made by the Conference to the groups then the recommendation would be fully respected. They did not want, nor did they suggest any change in the Peace Treaty. We must therefore scrutinise carefully the reasons why a change in the Peace Treaty has been suggested and why the present proposals have been made.

Let us see what the present proposals are. In the first place



they increase the number of members of the Governing Body from 24 to 36. They also reduce the number of States of chief industrial importance from 8 to 6, and take away two of the present members from that list. They give to the non-European Governments 37 and half per cent of the total representation, but in the non-European world 25 per cent of the representation.

I want the Conference very carefully to consider whether the non-European world, taken as it is to-day, is only equal to one quarter of the whole of the European world which has joined the League of Nations. I do not think anyone here will suggest that the non-European world is so small as these proposals indicate, certainly not as small as to be only equal to 25 per cent of the European world. I do not think anyone here will suggest that we have only one quarter of the population of Europe. We may not be as developed industrially as Europe but, if you take the available facts and figures into consideration, we shall certainly be found to possess an industrial development equal to more than 25 per cent of European development.

It is true that there are only four workers' delegates from non-European States attending this Conference, but you must remember that we four do not represent small countries. The European world has certain advantage over us; Europe is divided into a very large number of countries, fortunately or unfortunately, our world is not cut up in that way. We are only a few countries but you must remember that our countries are bigger; not only that but the four workers' representatives here represent four very large countries, differing greatly from each other and separated from each other by large distances. One representative comes from Canada—the American world. Another comes from South Africa and two comes from Asia—one from India and the other from Japan. The distance between India and Japan is such that the time required for travelling from India to Japan is much greater than that required for the journey from India to Geneva. We, therefore, are not in the same position as European countries, and I feel that you cannot treat the non-European representatives on the same basis as that on which you treat the European representatives. It is possible for the European representatives to represent different countries, but it is not possible for the non-European representatives who come here to represent countries other than their own. I feel, therefore, that the proposals which the Commission has made have not done justice to the non-European States as regards their representation on the Governing Body.

Then, Sir, these proposals are not only intended for to-day or for the next few years, but, as I judge, for all time. The Chairman



of the Commission has admitted that a change in the Peace Treaty is very difficult. If you want to get a change in the Peace Treaty your proposals must be such that they are favourable to the present Members of the Council of the League of Nations. If they are not favourable to the present Members of the Council of the League of Nations, you can never hope to get a change in the Peace Treaty, and the proposals, I must admit, have been framed in that manner. From the list of eight States they have taken out India and Canada who are not Members of the Council of the League of Nations. So they cannot refuse to ratify these changes. They could not take out any other country, because if they had taken out the Government of any other country there was no chance of these changes being adopted.

Knowing as we do that a change in the Peace Treaty is very difficult, I, as a Delegate of the workers of the non-European world, and of India especially, cannot consent to any changes which will permanently fix the representation of the non-European workers at only 25 per cent. of the representation on the Governing Body. In this connection the Chairman of the Commission said that the representation mentioned in these proposals is only the minimum representation. Sometimes the minimum has a tendency to become the maximum, and if we want to prevent the minimum becoming the maximum it is necessary that we should make it clear by suitable words. If the proposals intend that the representation given to the non-European States should be the minimum, that point ought to be made clear by adding the words "at least" to the proposals. "At least," so many States out of so many, or "at least" so many delegates from the non-European States out of so many. If they will consent to put the words "at least" before these figures, we might for the present accept these proposals, but in order to make it quite clear that the representation that these proposals offer to the non-European States is the minimum representation, it is quite necessary that the words "at least" should be added.

Not only are the proposals in this way unjust and unfair to the non-European States but when they deal with the Governments, the employers and the workers, they are also unfair as between the various groups. They give to the non-European Governments 37 per cent of the representation on the Governing Body; but in the case of the employers and workers they only give 25 per cent. I do not know why this distinction should be made. To-day the Government Delegates who attend this Conference may be more numerous, but it is not the fault of the workers and the employers that their representatives do not attend these Conferences. The Governments of those countries do not send the Workers' and Employers' Delegates.

Therefore, it is not right that you should penalise the employ-



ers and the workers of the non-European States in this fashion. If 37 and half per cent representation is given to the Governments, the same percentage ought also to be given to the workers.

The Conference will have thus seen that these proposals do not really give great advantage to the non-European States at all. They were never asked for by the non-European States. If that is so, why have they been made? I hope that it will not be considered uncharitable on my part if I suggest that these proposals have not been made for the advantage of the non-European States but have been made to give further advantage to the small countries of Europe. That is the conclusion to which I have come after examining the proposals very carefully.

For these reasons I propose to oppose all these proposals in the Report of the Commission as a whole.

### Mr. Basu at the International Labour Conference.

The following is the text of the speech delivered by Mr. B. N. Basu, member of the Council of India, at the International Labour Conference at Geneva in October, 1922 :—

Gentlemen, I am not going into what has been so thoroughly discussed in this conference this morning namely, the procedure we shall have to follow in amending article 393 of the Treaty of Peace. It has been felt, however, that that article requires amendment in certain important particulars. One of those is the increase in the strength of the Governing Body, necessitating an increase in Government representation from the present number of twelve to sixteen members. The next amendment (the amendment which I am opposing on behalf of India) is that on this governing body there should be representation of six named States. That is an innovation to which I, as belonging to a non-European State, cannot agree. It is an innovation for which, as my friend pointed out, no satisfactory or valid reason has been given. The Treaty of Versailles laid down the principle of the selection of this Governing Body, namely, that eight of the Government representatives should be nominated by the eight States of chief industrial importance. That was a principle which we can all easily understand, but what is the principle now? I call upon those who have put forward this amendment to name the guiding principle of that change. How is it that we go back upon the well understood principle in connection with the International Labour Conference, that the representation should be confined (if representation is to be confined at all) to States of chief industrial importance? So far as appears from the published proceedings, I have not been able to gather any convincing reason. Then, gentlemen, it was thought, in a democratic assembly like ours,



that we should leave the whole of the sixteen members to be elected. That was a position which was taken up in the commission, but that was rejected, and it was felt that there should be a nucleus. Well, I frankly admit that there is considerable force in the argument that there should be a nucleus. But if there is to be a nucleus, why should you confine it to the States that they have named? At one time it was contended that the fixing of the nucleus, except in the way now suggested, had given rise to difficulties. If I may say so, it was the illiberal spirit in which the organising committee approached the question which gave rise to difficulties, and my Government from the very first opposed the selection by that committee of the eight named States.

We, the Government of India, put up a strenuous fight. In this fight, my friend, Sir Louis Kershaw, took a prominent part, and the thanks of India are due to him for the services which he has rendered to her in this connection.

Well, it was only a month ago, that the Council of the League of Nations took that question into consideration and decided upon the eight States of chief industrial importance, among which India was included. That gave, I may say, universal satisfaction in India. But what will be the feeling now in India, if you go back upon that finding so soon after it was arrived at? What will be the reason assigned for this change? That has to be borne in mind because no valid and sufficient reason has been assigned. My friend, the proposer of this resolution very aptly maintained that Canada was a large contributor to the funds of the League of Nations. I may say to him and to the conference, without presumption and without wishing to brag about it, that India is a large contributor; that she is one of the principle contributors to funds of the League of Nations; and that if the fact of contribution is to be considered in the determination of this question, then I say that India should occupy a very important place in that consideration.

Then, gentlemen, there is another aspect you must bear in mind. Under the existing conditions, we have eight States out of twelve. Under the proposed alternation, we have six States out of sixteen. What is the reason for this backward movement? Is it because the recent decision of the Council of the League of Nations opens the door to countries which you do not wish to be represented on the Governing Body of the International Labour Office; It may not be so; I do not wish to say that it is so; but what will be the inference in India? That is what you have to bear in mind. Gentlemen, I ask you in all seriousness, you, who, as representatives of the civilised world, are sitting here to decide important questions affecting the fate of nations, do you feel yourself justified in drawing



the sponge over a resolution which recognises the claims of India and Canada only a month after, before the ink is dry on the paper on which that resolution was recorded? I must ask you to bear in mind that we in the East have not always had—it may be for reasons which cannot be justified—complete confidence and trust in the West. Are you going to deepen that feeling of distrust or do we meet at these International Conferences to dispel this atmosphere of distrust? What will be the effect of the amendment which is now suggested? Will not that feeling of distrust be deepened? We have begun to have a feeling, which did not exist before, that probably, after all Europe was beginning to realise that claims of justice must be given precedence over other considerations—considerations, as my friend Mr. Lapointe said, of policy and force. We were beginning to feel that what our ancient religions emanating from the East had failed to achieve was at least being achieved by the great experience of suffering and trial through which humanity has passed during late years. We were beginning to hope that a new covenant of peace had arisen in the League of Nations. Do not, for God's sake, dispel that covenant of peace by creating an atmosphere of distrust and suspicion. Gentlemen, I beg you not to send me away from this conference to my country carrying the message of despair that no justice may be expected from Europe to the East. I am sure it will not be so. I am sure I shall not be entrusted with the responsibility of carrying that message, and in saying so, I make a sure appeal to the Commonwealth of nations which constitute the Great British Empire, for they and we in India are bound together by a hundred indissolubilities. I make a no less sure appeal to France, for she and we have been associated now for centuries. We in the East have always regarded France as the most idealistic of the nations of the West. The association between France and India has been sanctified by mutual suffering and mutual tribulation. Will France tell us to go away? Will she turn back on those high ideals, for which she has fought and suffered in the past, for which her name is famous before the world? I am sure she will not.

I have made my appeal to the common-wealth of Great Britain and to that great illustrious country, France, and I make a no less sure appeal to the representatives of the other nations attending this conference. Remember what it is that is involved. Do you or do you not wish to have associated with you in this great work which you have undertaken the teeming millions of my country, a frugal and industrious people, with a civilisation the beginnings of which are lost in the dim mists of antiquity, but a civilisation which still runs through the daily channels of our life.



# India in the Colonies 1921-22



# Indians in the Kenya Colony

## 1921-22

*FOR DETAILS OF PREVIOUS HISTORY, SEE*

*I. A. R. 1920 & 1921.*

The historical connection of India with East Africa was long antecedent to the arrival of European settlers in the country or the establishment of British power. The foundations of the prosperity of the territories concerned were laid centuries ago by the enterprise of Indian traders and settlers, who have been the chief contributors by their industry and wealth to the development of that prosperity of the country which it has in its present high state. It may not unfairly be claimed that to the resources of India and the enterprise, capacity, industry, and personal sacrifice of Indians the East African territories owe not only their existence, but even their preservation during the late war "as fertile and prosperous provinces under the British Crown." At the present day "the Indians outnumber the European settlers by some four to one. They control by far the greater part of the trade of the country and pay the bulk of the taxes. With slight modifications, the Indian system of law prevails, and until quite recently the local currency was Indian, the rise and fall of the exchange being based on trade and financial relations with India. The clerical staff of the public services and the railways are manned by Indians, as is the mechanical staff of the railway workshops. The building and allied trades are almost entirely carried on by Indian contractors and skilled artisans. Thus, in population, trade, industry, and commerce the predominance of Indian interests is overwhelming; and it is safe to say that were the Indian element to be suddenly withdrawn, these territories would speedily become derelict and revert to barbarism; for, climatically, they are far more suited to an Indian than to a European population." With such preponderating importance to the well-being of the Colony, the Indians do not clamour for privilege or special treatment but only for freedom from the unfair domination of the later intruder. As a matter of fact, the woes of the Kenyan Indians are of recent origin, being the legacy of the Boer overflow to the Colony after the South



African War. Since that time the tocsin of racialism has pervaded the administration of East Africa and between the years 1911—1919, when Indians had no representatives in the Legislative Council, the European settlers got through law after law to deprive the Indians of every valuable right.

Trouble began in 1902 when by law it was enacted that the Nairobi Uplands were reserved for Europeans and lands in the Lowlands around Mombasa were for Indians. Further, European allotments were unlimited while those to Indians were restricted to 100 acres per person. The simple minded, politically uneducated and ununited Indian settlers could do nothing against this violence on their political rights. Then came the War, and from August 1914 to February 1919 there was Martial Law in the land and public grievances could not be ventilated. The Mining Ordinance of 1912 expressly excluded all Indians from an important industry. The Crown Lands Ordinance of 1915 gave a power of veto to the Governor over transfers of land and he used it to oust the Indian gradually from farming and to fix up all good lands in the hands of Europeans. The same year Prof. W. J. Simpson who was deputed by the Colonial Office made a report recommending **racial segregation** whereby Indians were to be excluded from inhabiting the best portions of the town of Nairobi and a few other towns. This report was kept a secret till 1916 and put into operation in 1919 by the Segregation of Races Rules and the Town Planning Scheme Ordinance. (*See the Economic Commission's Report which outrageously slandered the Indians—I. A. R. 1920 & 1921.*) Nor was this all. The bitterest blow of all was the soldiers' settlement scheme, which was so administered that, while about 1,500 farms extending over a million acres of superior land were reserved for European ex-soldiers, the Indians who claimed recompense for patriotic war services were either turned out or asked to wait for the residuary crumbs.

In July 1920 the Nairobi uplands and other better places became the *Kenya Crown Colony*, while the rest of the lowlands including Mombassa and its neighbourhood became the *Kenya Protectorate*. The object of this division was to confine the Indians as far as possible to the Mombassa districts and reserve the delectable Uplands around Nairobi for Europeans. While the Indians asked for bare justice, the White Colonials made it plain that they intended to make Kenya another White preserve.

The Indian agitation dates from about the end of 1919. Some time before the British East Africa Indian Association had been formed at Nairobi and strong deputations were sent to the Home



and Indian Governments. On January 30th 1920 Lord Chelmsford, then Viceroy of India, declared on behalf of his Government that the Indian Government took their firm stand on the principle that in a Crown Colony or a Protectorate British Indian subjects ought not to be given a lower status than any other British subject. What were called "strong representations" were said to be made by the Indian Government to the Colonial Office with, of-course, no result.

On May 21st 1920 Lord Milner, then the Colonial Secretary, addressed an important despatch to the Governor of the Kenya in which the two Indian representatives (out of 14 elected members) of the Legislative Council hitherto nominated were allowed to be elected by the Indians themselves. But the obnoxious racial segregation was left untouched. This despatch raised a storm of unavailing protest and numerous public meetings were held. Numbers of Indians resigned their public offices and a campaign of boycott and non-co-operation was threatened in a large scale.

So far the racial Segregation and the want of popular franchise have been mentioned as the disabilities; but there are other grievances too. For example, the denial to Indians of the right to trial by jury; the exclusion of Indians from the right to practise Medicine or Law even if duly qualified; the inadequacy of educational facilities to the Indians, and the constant threat by the authorities to pass the Removal of Undesirables Ordinance by which Indians could be deported at will and their emigration stopped.

In 1921 the situation became very grave owing to the increased hostility of the European settlers and the direct and indirect support they got from the authorities both in the Colony and at Home. The European settlers had, a few years before, organised themselves into a very strong association and speeches were delivered from time to time by prominent European settlers of an extremely heated and intemperate nature. Mr. Churchill had, by this time, replaced Lord Milner as the Colonial Secretary. Instead of an open avowal like Lord Milner, Mr. Churchill followed his usual diplomatic policy. Early in the year he was devastating Indian Trade in Kenya by jumpy shifts of the currency of the country. From the Indian rupee the Currency was changed to Shillings. In July 1921 the Government issued instructions to the Banking Houses and to the various Treasury Offices that they should by a certain date replace all silver Rupees by an equal number of Florins. This lasted till 31st December 1921. Then the currency was changed to Shillings—all Florins to be changed at 2 Shillings a Florin; and so on, the question still hanging on Mr. Churchill's polychromatic career."



Early in May 1921 all efforts to arrive at an amicable settlement or compromise locally in Kenya failed. The most recent, and probably the last of these, was a round table conference between representatives of the European and Indian communities, presided over by the Governor of the Colony, Sir Edward Northey, the very man who was the adviser of Lord Milner in the matter of his Kenya Despatch. At this conference all the Indian claims were put forward and debated in the most straight-forward fashion, but neither party would give way one iota in principle, and the result on each point was—a deadlock. The report of this Conference is given in the following pages.

In May 1921 the agitation about Kenya had succeeded in reaching the ear of the world, and the Standing Committee of both Houses of Parliament on Indian affairs, inaugurated with the Indian Reforms Act of 1919, took the matter in hand and with Lord Islington as president sat as a commission of enquiry. The report of this Committee is given on page 270.

Deputations representing all parties went from Kenya to lay their views before this Committee, and also a few Englishman who had some knowledge of Indians in Africa, including Mr. H. S. L. Pollock, also spoke before the Committee. The Indian case was very finely put by Mr. Mahomed Hussain Malik who had spent seven years in East Africa, and was then in London preparing for the bar. The summary of his evidence which puts the whole Indian claim in a nut shell is given below.

#### Mr. Malik's Evidence

Mr. Malik declared that he knew of no Indian in any part of East Africa who is not prepared to put the interests of the sons of the soil ahead of those of the 'non-native', be they Indians—who are pioneers there—or others who followed in their wake. That, he emphasised, is the avowed policy of the Indians in East Africa. The sincerity of that declaration, he pointed out, is acknowledged by the leaders of the African community. Sir Appollo Kagwa, the Prime Minister of "The Native Parliament," had told him that his people (the East Africans) appreciated the Indians, and that they wished them to remain in the Colony because they were improving the country. A similar statement had, he wrote, been made by Sir Appollo and Mr. Staisles Enganya, the Chief Justice of the Uganda Native Tribunal, to Mr. C. F. Andrews when he recently visited East Africa. An address, recently presented by the Young Uganda Association (Native African) to Mr. A. M. Jeevanjee, whose work in connection with the building of the Uganda Railway is well-known, read, in part :—



"We also beg to inform that relations between the Indian community and ourselves are very cordial and we assure you that the same will continue. We also like to state that the Indian community is helpful to natives in more than in this direction."

That such statement should have been made is remarkable, Mr. Malik stated, because "not a few of the White settlers have for years sought to poison the minds of the Africans against Indians." He had himself, he related, heard a European say to Africans in a public place: "Wahindi Mbava Sana", meaning "Indians are very bad."

According to Mr. Malik, Africans, in spite of such propaganda, appreciate Indians because they have known Indians longer than any other outsider: they can more quickly grasp Indian methods of farming and industry, and Indian civilisation, because they are not so complex as Western methods and culture; Indians have not maltreated them by using "kibokoes" (flogging) upon them, or in other ways; and Indians have helped to train and to civilise them.

Mr. Malik stated that although Indians opened up East Africa they do not desire preferential treatment. They do demand, however, equality of opportunity with the other "non-natives" there—equality of opportunity in agriculture, planting, trade, commerce, official posts and, above all, in municipal and legislative matters, for "without equality in the last respect, equality in any other respect cannot be maintained."

Mr. Malik then proceeded to outline the inequalities from which Indians in East Africa at present suffer. In regard to land they are excluded from the Highland area, and their opportunity to acquire land even in the Lowland area is restricted and sales are so manipulated as to increase the prices to be paid by Indians; while they are handicapped regarding the acquisition of plots and property in commercial and residential areas. As regards trade and commerce, they suffer from the handicaps imposed upon them respecting the purchase and occupation of land, and also from the divorce between Indian and East African currency recently effected which had the effect of driving trade away from India. As regards official posts, they are excluded, in practice, from higher appointments, and more especially, the Executive Council. As regards municipal matters, though Indians form the majority of the non-indigenous population in municipal areas and pay the bulk of municipal taxation, Indian representation on Municipalities is only a fraction of that enjoyed by Europeans, even when the official element is excluded. As regards legislative matters, the inequality in regard to seats in the Legislative Council is even more flagrant



than in the case of municipalities. So long as this inequality remains, Mr. Malik declared, Indian interests can never be adequately safeguarded.

As regards medical and sanitary institutions, the exclusion of Indians from the higher ranks of the Medical service reacts upon the entire Indian community in East Africa. The system of Municipal representation tends to the levying of taxation, largely provided by Indians, upon quarters not used by them. This fact is completely disregarded by persons who advocate segregation, which offends the Indian national pride and, if persisted in, regard to commercial areas, would prejudice the Indian commercial position. "In no case", Mr. Malik stated flatly, "will Indians tolerate such a system".

Owing to the municipal and legislative handicaps imposed upon Indians in Kenya they enjoy far poorer educational opportunities than do Europeans. Mr. Malik mentioned, as an illustration, the instance of the loan given by the Government in March 1921, for educational purposes, which as finally settled, is to be apportioned thus: £40,000 to Europeans, £40,000 to "natives" and £20,000 to Indians. Both the "natives" and Indians, he declared, deserved better treatment, firstly because their educational needs are more clamant, and secondly because they pay more in taxation. Directly and indirectly the "natives" contribute about 50 per cent while Indians and Europeans contribute in the proportion of 3 to 2.

In order to remove the inequalities of opportunity and to safeguard Indian interests, Mr. Malik recommended, in his Memorandum, the reversal of the present property policy: the withdrawal of the segregation system: the admission of Indians to the higher appointments, especially to the Governor's Executive Council; and adequate representation of Indians on all Municipal bodies and the Legislative Council, as determined by population and rates and taxes.

In conclusion, Mr. Malik wrote that it is neither suited to the Indian national pride, nor to their interest, to be placed upon a separate register. So far as Indians are concerned, property should not be the sole qualification as the element which will come in through. For instance, an educational test will be of a progressive character, and especially useful in the protection of the interests of the Arabs and Africans who should be given due and adequate representation.

The cross-examination by Lord Islington, Chairman of the Committee, and his colleagues lasted from an hour and a quarter to



an hour and a half, in the course of which exceedingly searching questions were put to Mr. Malik. He was asked, for instance, if he had any personal grievance against any European in East Africa. Of course he replied that he had none. One member reminded him that segregation existed, in effect, in Indian cantonments which were occupied by Europeans, yet Indians did not take offence at it. The witness avoided that trap very cleverly. Coming from the Punjab, as he did, he could give specific instances to show that Indians lived as next-door neighbours to Europeans in cantonments in India. One member asked Mr. Malik if he knew of any Indian in East Africa who would be fit to be nominated to the Executive Council. He replied that he could mention, off-hand, at least five men who were so qualified. Another member sought to discredit the Indians in East Africa by telling the witness that they sent money away from that country. So do the non-Indians in India, he replied. After the laughter evoked by this sally had subsided, he added that, in spite of disabilities from which his countrymen suffered in Kenya, they had invested a considerable amount of money there.

The fear that seemed to haunt at least a portion of the Joint Standing Committee was that if Indians were given equal political opportunities in East Africa they, through their superior numbers, would be able to dominate that land. Mr. Malik might have been expected to allay such fears by withstanding his recommendation that Indians should be placed on a common register, or by agreeing to the suggestions that Indians should take a lesser number of seats than those assigned to Europeans. He, however, refused to take any such line. Indians, he said, have no desire to dominate, but if, on account of their number and capacity, they do, in effect, dominate, why should they be artificially kept from so doing so long as they were willing to recognise the Europeans as an important minority and concede to them facilities for safe-guarding their interest?

The Joint Committee busied themselves three months with the Kenya problem and then issued their report which is given on page 270.



# Round Table Conference in Kenya

*NAIROBI, MAY 3RD. 1921*

The long-anticipated Round Table Conference between members representative of the Convention of Associations and the Indian community opened under the presidency of H. E. Sir Edward Northey at Government House on Tuesday, May 3rd, when there were present Messrs. Conway Harvey, Anderson, Figgis, Col. Paterson and Sir Frederick Sprott representing the Convention of Associations, whilst Messrs. A. M. Jeevanjee, M. A. Desai, B. S. Varma, Mangaldas, Hussenhbhai Suleman Virjee and Abdulla Jaffer Dewjee represented the Indian community. The following Government officials were also present: The Ag. Colonial Secretary (Col. Notley), the Ag. Chief Native Commissioner (Col. O. E. Watkins) and the Attorney-General (Mr. Lyall Grant) with the Private Secretary to His Excellency, Mr. Sandford.

His Excellency in opening the proceedings said that there had been some difference of opinion on certain points of view between the Europeans and Asiatics in this country and when he was approached, with a view to presiding over this round-table conference, he thought it would do a great deal of good. As Governor of this Colony he had to keep an impartial mind. He proposed that the discussion at that conference should be as informal as possible and, as Chairman, he would simply see that definite steps of debate would be followed. He had various files by him and these could be referred to for information if necessary. The first subject looked upon by the Indians as a most important one was the question of representation on the Council of the country by election and he would ask them to put forward their demands in that respect first. When His Excellency first came to the country there were no elected members and one of the first things he did was to get unofficial elected members. \*

## Case for the Indians.

Mr. M. A. Desai then outlined the Indian side of the case. He quoted from past history and urged that the principles of equality, liberty and justice had already been recognised by the British Government in India. With regard to the position of Indians in this Colony, there had been constant trading for over 300 years between India and East Africa, and quoted Sir John Kirk as having said



that, but for the Indians, Europeans would not be in the country at present.

Dutch settlers came into the country through G. E. A. about 1901 and 1902, after the South African War, and the colour-prejudice dated from about that time. The Colonists' Association in 1908-9 requested the then Governor, H. E. Sir Percy Girouard, to forward certain resolutions on the subject of Indians to the Colonial Office, but was held out no hope of success at that time. Mr. Jeevanjee was afterwards nominated to the Council but found his position (being a solitary member) so useless, that he went to England and placed the whole position before the Colonial Office.

When the Indians saw the activities of the Convention of Associations, they organised a second congress to consider their position and resolutions were passed demanding franchise. Then there was the question of the Highlands for the European. His Excellency knew quite well that there were European settlers in the Highlands and also in the lowlands.

It was maintained that the Colony was an Indian Colony, but out of 29 seats on the Legislative Council there were only two nominated seats for the Indians. They had heard Europeans many times stating that they were responsible for the protection of the natives of the country, but India was a member of the Empire and the responsibility devolved on both the European and the Indian British subjects.

There was a native community in Uganda friendly to Indians.

His Excellency here pointed out that they were dealing with Kenya and the question what was done in Uganda did not enter into the subject.

Mr. Desai then referred to the position of Indians in the Civil Service and said they were confined to subordinate services only.

H. E. then suggested that the whole subject could not be dealt with at once but that each point should be taken separately and then dealt with. He suggested that the question of franchise be taken first.

Mr. E. K. Figgis, K.C., said he would like the Conference to get down to business and deal with the pressing problems before them. He urged that what they wanted was not a policy dictated from home but a policy agreed upon here. He would urge all to forget the past and try to come to a solution for the future.

#### Representation.

His Excellency then dwelt upon the question of Indian representation and the fact that after Lord Milner had carefully reviewed the situation, he had come to the conclusion that the Indian interests be safeguarded by their having two elected re-



representatives on the Legislative Council. They (the Indians) had had elective rights for six months but they had not exercised those rights.

Mr. Jeevanjee then urged the right of Indians to have an equal number of seats on the Council with non-official members, suggesting that there should be one third of the seats allocated to official members, one third to unofficial members, and one third to Indian representatives.

His Excellency said there were 11 elected Europeans ; could they (the Indians) find 11 members with the necessary qualifications ?

Mr. Jeevanjee thought he could find them.

His Excellency then pointed out that they could have elected two members and that would have been a beginning.

Mr. Desai said he agreed with Mr. Figgis to drop the past and he suggested that they had men with the necessary qualifications who would sacrifice the time for the purposes of the State, and then went on to point out that Indians contributed largely to the coffers of the State.

His Excellency joined issue on this point and after Mr. Desai had referred to the 10 per cent. Custom duty and other forms of taxation, His Excellency remarked that this was afterwards put on to the consumers.

#### **The Franchise**

H. E. Sir Edward Northey also pointed out the difference between a common and a communal franchise, the former gave the Indians equal right in the government of the country, while a communal franchise would effect representation of respective interests.

Mr. Mangaldass then said that with regard to franchise the position was that the Government of the country was being run by a Council on which 11 representatives of 8,000 Europeans sat, whilst an Indian population of 30,000 British subjects were debarred from taking any intelligent part in the business of the country because they had not the franchise. He thought they were wasting a lot of time fighting one with the other when the business could be settled amicably and to the general welfare of the country. He felt very keenly whenever matters of general interest were discussed by the Convention of Associations or in the Legislative Council, —matters such as currency, native affairs, etc.,—they (the Indian community) had no voice at all and could not contribute their share to the business of the country. He suggested there should be a common and not a communal franchise. They as Indians had no wish to swamp the Government of the country but they did want an opportunity of helping to make the country go ahead and he thought that that could only be done by giving the Indians the



franchise, so that 30,000 Indians, instead of retarding progress, would be helping the Colony forward.

His Excellency again pointed out that they complained of having no voice in the Government whereas during the past six months they had opportunity of sending two members and had not done so.

Mr. Mangaldass said that experience had proved the position of so small a minority on a Council to be hopeless.

Mr. Conway Harvey urged that the franchise should only be given to those individuals with some proper sense of responsibility and some educational test should be imposed. He said that agricultural industry must be predominant. He saw no reason why Indian interests could not be properly safeguarded in a constitutional manner by representatives properly elected.

#### Agitators.

Mr. Figgis said it was the duty of the legislature of a country to see that all the different interests were fairly and properly represented and they were anxious here to see that amongst their interests the separate interests of the Indians were represented. As Mr. Conway Harvey had pointed out that a large number of Europeans were more or less in the position of parasites in an agricultural country but all sections were entitled to representation. Mr. Figgis pointed out that there would be difficulty in bringing in a proper method of election. There were a number of Indians very well educated and capable of appreciating the importance of various matters which had to come before a Legislative Council and had a high intelligence, but there were also the other class of people who would be easily moulded to the will and instigation of agitators who had not the interests of the country at heart. They all wanted to see Indians in this country have an interest in the Government of the country but they did want to protect them from those who were mere agitators.

Mr. Figgis then spoke in favour of a communal franchise as against a common franchise. In India the British Government was in a totally different position from what it was in East Africa. In India the primary duty of Government was to consider the Indians. In East Africa the primary duty was to look after the natives—a totally different position. There were natives who were capable of having and utilising the franchise. He agreed their members should be elected and not nominated.

Mr. Jeevanjee said he had no intention of putting anything in the way of natives having representation on the Council.

Mr. V. S. Varma agreed that agricultural interests predominated in Kenya but so they did in Cape Colony or Rhodesia where they



had the franchise. What had been done in those colonies could be done here and that the voter's qualifications there should be adopted in Kenya.

With regard to the educational test suggested, Europeans who were illiterate had the vote. If there was an educational test for Indians so there should be for Europeans.

#### Methods in India

Sir Frederick Sprott was asked by His Excellency to state his views and referred to his Bombay experiences. He quite admitted there must be adequate representation for Indians and that they should be elected and not nominated. He did not, however, think that the demands of the Indians of the Indian community that there should be a common roll would bear close examination.

Firstly, the bulk of the Indians were not sufficiently educated to enable them to choose their representatives and to vote wisely. He thought it was a most dangerous thing to give them too much power in this direction.

In Bombay he had had certain Associations who from time to time were given the right to elect representatives on Boards, etc. For instance, representation on the Bombay Port Trust Board was so valued both by Europeans and Indians that he knew of those whose sole ambition was to get on the Board including some men who had insufficient knowledge of English and ordinary affairs who were incapable of taking part in the discussions that came before that Board. He maintained that the basis for election must be extremely stringent and narrow.

There were, he understood, a large number of Indians in this country who were not, strictly speaking, British subjects. They were subjects of Native States who had found their way here for reasons best known to themselves. Even in India they would not have the right to vote for the election of the member for the Legislative Councils.

In conclusion, Sir Frederick Sprott said he was convinced it was necessary to give educated Indians a fair voice in the Government of the country but he did not think the time had come when it would be safe to allow the basis of election to be that of a common roll. It must still remain on a communal basis for the time being.

After further discussion His Excellency asked the Indian representatives if they could not put up some definite figures as to the number of representatives they considered they should have.

Mr. Mangaldass again maintained that 1/3rd. of the Council should be Indian, which would leave a European majority.



His Excellency said that that would leave an unofficial majority. What difference there was between two or five or six members he could not see.

Mr. Mangaldass pointed out it was a question of two representatives out of 29. He then suggested the reduction of the number of unofficial Europeans.

#### Step by step

His Excellency said it was a question of proceeding step by step and Mr. Mangaldass said that on taking the first step they found nasty rocks.

Mr. Figgis said it was extraordinarily difficult for them to put a definite proposition until they knew what the educational test was going to be.

Mr. Mangaldass urged that the question of a communal or common roll should be settled. There would be no need for a test unless it was a common franchise. There could be found some Indians who could be a great help in conducting the business of the country and not an impediment.

H. E.—That is an expression of your opinion.

Mr. Mangaldass said it was a fact.

The question of Indians as farmers was then raised and Mr. Jeevanjee said that if the land was given to Indians it would be cultivated, and they would support agriculture and the producer in every way.

His Excellency again appealed for a specific number to be put forward by the Indian community as a start and suggested five but Mr. Jeevanjee urged that the Indian representation should not be less than the European unofficial members.

It was then accepted by Mr. Desai that qualification to the franchise should be the ability to read and write English.

His Excellency thought this concession must serve as a basis on which to come to an arrangement, and the Conference adjourned for 10 minutes to discuss the point.

On resumption Mr. Anderson asked if it was the intention of the Indian community that members who stood for election should be of European or Indian extraction and it was stated that so long as they were satisfied the man would represent their views they did not mind if he was a European or an Indian.

After a further brief discussion the conference adjourned.

*WEDNESDAY, MAY 4TH. 1921*

The delegates from the Convention of Associations and from the Indian Congress to the Round-Table Conference reassembled on



Wednesday morning under the chairmanship of H. E. the Governor, Sir Edward Northey, when the question of the franchise was further debated. His Excellency briefly stated the course the debate had taken and said he thought the last suggestion, i.e., that the franchise should be granted to all British subjects on a high educational standard, seemed to suggest the possibility of an agreement.

Mr. Mangaldass then asked that the members of the Convention of Associations should put forward their views.

Mr. Conway Harvey said that the members on his side of the House had set up burning a considerable quantity of midnight oil to consider the question and Mr. Figgis had been charged to put their views before the Conference.

#### *The European view*

Mr. Figgis then stated that they had carefully studied what were the actual rights of the Europeans and Indians to representation. They could only deal with franchise as it stood at present. The Indians were practically a commercial community and in order to say what representation the Indians were entitled to, they had to ask themselves what was the present commercial representation of the Europeans on the Legislative Council. They had a member for Mombasa, and one for Nairobi North who represented areas which included largely the business districts of the country and possibly a representation in the member for Nairobi South, that is three members. They had decided to put two alternative schemes before the House. There were great difficulties in arriving at a suitable number, but they were entirely in favour of a communal basis, not owing to any racial distinction, but the fact was they were not a self-governing Colony; the Legislative Council were merely advisers and the interests of the Indians were of such a distinct nature that they should be separately represented as a commercial community.

He thought the Indians would agree with him that they could not say their commercial interests were greater than the commercial interests of Europeans. This was an agricultural country and there were importers of machinery and implements who had great interests in the country and who were represented by European firms.

He would say that they considered that the Indian commercial community were entitled to three representatives on the Council; otherwise they would have the Indian commercial interests swamping the European merchants. It was not their desire that either the European or Indian interests should be swamped. Both interests should be fairly represented.



They were in rather a difficult position in having to judge what would be fair without knowing the actual educational test.

Mr. Figgis further contended that the matter was one largely of sentiment and at the basis of the question was the question of a common register. They, as delegates of the Convention, had to say that the sense of feeling of the Convention was that a common franchise under existing circumstances would be a mistake, but they wished to put forward, in the event of a common franchise being agreed upon, the following suggestion:

"They agreed that both interests must be duly represented and there must be safe-guards from both points of view. How was that to be effected? The only solution that appeared to them was that only areas which returned representatives to the Legislative Council to represent directly commercial interests were Mombasa and Nairobi.

"They suggested that for each of these districts two members be returned instead of one, one being an Indian.

"The European who had the most votes would be elected and then the Indian who headed the Indian side would also be elected. That would allow Indians in the commercial areas to support a European as well as an Indian with their votes and vice versa. There were many commercial points in which the European and Indian commercial interests were identical and they would have the benefit of being able to vote on either side.

#### Indian Agriculture

His Excellency pointed out that, that would mean six members representing commercial interests and eight producing interests. There were large areas to be developed by Indians which the Government had put aside for purchase and there would probably be a large number of Indians with agricultural interests.

Mr. Figgis said they could only take the distribution of seats as they were at present; may be that later there would be a call for representation of a sufficiently large Indian population.

H. E. Have you thought of the large Indian commercial interests around Kisumu?

Mr. Figgis said they had done so and had come to the conclusion that there was no European representation for Kisumu, but it might be necessary to send a representative for that town later when the matter could be discussed.

#### Indian Reply

Mr. Mangaldass, speaking on behalf of the Indian community, said he must express a sense of great disappointment at the proposals put forward. Yesterday they had gone to a great length of



cutting away 60 per cent of their countrymen and depriving them of the vote in order to meet the European side and come to a settlement and His Excellency had yesterday said that they had made a concession in that direction. The producer had been put forward as the one factor that should be represented. To his mind the native was the chief producer of the country and by all logical methods of calculation they should leave the whole Legislative Council to Col. Watkins, but the producer discussed was only the European producer. There were large landed interests at the coast and hundreds of Indians owning land who were probably far greater producers than Europeans. They were only going back to the old position by reducing the Indian representation to three members. It was not a question of sentiment but purely a matter of business. They were safeguarding their rights.

Take the past history of the Council ; His Excellency would find that all the laws of the country were against the Indians. The whole statute book was against the Indians, except where taxation was concerned. They got equal treatment when it came to income-tax ; they were probably treated better, because they were asked to pay more. But when it came to laws (even the electoral laws) they were all directed against them. He was sorry, but it seemed to him that further discussion would be fruitless. He had hoped to see a settlement arrived at here instead of settlement from London, but really the latter seemed the only solution.

His Excellency remarked that the native was probably the largest tax-payer.

Mr. Desai said they were agreeable to divide the country into definite interests ; the Government majority would not be affected. He was quite prepared to give the natives a share of representation.

Mr. Figgis pointed out that in agricultural districts sparsely populated it would be an easy thing for the Indians to swamp the whole of the district with voters. He did not say they would do so, but there was the danger.

Mr. Desai said they would agree to divide the whole country into districts in the matter of interests.

After further debate Mr. Varma said they were up against communal representation. It was the curse of the country and in order to get out of the difficulty they had proposed a common register. The political situation depended on it. He did not care what the test should be, whether that of ability to read or write English or income test, but there should be a test for all on a common register. Could anything be fairer than that ?

Mr. Conway Harvey raised the question of the immigration



restrictions. Were the opposite side of the House prepared to accept the same restriction as Europeans?

Mr. Mangaldass urged that the immigration laws applied equally to Europeans and Indians. They were against undesirable immigration.

His Excellency then remarked that he agreed that people without sufficient money should not come into the country.

In adjourning the debate H. E. said it seemed to him that there did not seem much use in discussing the matter further for the present he could see no prospect of a conclusion being arrived at.

The Indians demanded, on the ground of being British subjects, equal representation on the Council and a common register with an educational test, and the Convention delegates had come to the conclusion that three members were sufficient representation for the Indians.

Col. Watkins.

After the adjournment the Acting Chief Native Commissioner said they were there to try and arrive at a compromise. He would ask the delegates of the Convention of Associations why it was necessary to make any restrictions in regard to representation outside towns, and the Indians if they would be prepared to accept the Convention's proposal that in Townships elected members should be Indians and Europeans?

Mr. Figgis then repeated his former arguments. If the Indian community could show in any district that they had sufficient agricultural interests they could then consider the question of their representation.

Mr. A. M. Jeevanjee said they had applied for land, but the Government would not give it.

Mr. Desai said the reply to the Acting Chief Native Commissioner was in the negative.

After the debate on the subject of the franchise had ended, H. E. said they would discuss the question of the acquisition of land in the Highlands. He would like the Indians to put up their arguments as to why Lord Milner's decision should be rescinded.

Mr. Mangaldas said the position of the Indian in the country was most unsatisfactory. It might be asked why Indians wanted land in East Africa so particularly. India had an overcrowded population and in some districts there was a population of 200 persons to the square mile. That in any country would be considered a hardship. In some districts there were 1,000 to the square mile. They wanted room for expansion. They might also ask why Indians did not go to some part of Central Asia instead of



coming here, but he submitted Central Asia was not part of the British Empire. They were members of the British Empire and there were communities in Central Asia who would not tolerate the introduction of Indians as Colonists and settlers. They looked for room for expansion in the British Empire and had every right to do so. The countries available were Uganda, Tanganyika and Kenya, and they should be given the right to acquire land. Mr. Mangaldas then drew the history of the Indian community in East Africa and touched on the part they had played in the late war emphasising that the people who were instrumental in getting and keeping this Colony for the Empire should have the right they were asking for. With regard to the statement that the highlands were for Europeans, he urged as a logical sequence that the Lowlands should be for Indian settlement, but both the Highlands and the Lowlands were open to Europeans.

Europeans could go to Canada, Australia and South Africa but the only place Indians could go to was East Africa and for Europeans to claim this Colony as their special reserve was totally unfair. They had been promised time after time that this country should be an Indian Colony. Of eight million acres of land only one million acres had been cultivated whereas over 50 per cent of the land in the possession of Indians was productive. It was not a question of sentiment; they needed land badly, and what was more, must have it.

#### A Challenge.

His Excellency said he would like to make a few remarks, not in his capacity as Chairman but speaking as Governor. The Government had been into the question of land and had considered the question. He would ask Mr. Mangaldas whether during the last few months he had been informed of the alienation of a large area of land for sale to Indians, whether he had seen the map produced, and whether he had not applied himself for 20,000 acres.

Mr. Mangaldas said he had seen a map with a large area covered with green but he knew the facts of these lands, the portion marked green was not useful land and not worth anything; irrigation was lacking and they would be able to do little with it.

His Excellency took exception to these statements; he had been about the country a good deal and knew as much about the land as probably Mr. Mangaldas and had information contrary to the views expressed. He wanted to be clear that Indians wanted to buy land in order to work or whether, as insinuated, to give room for the expansion of people on the land from India.

Mr. Mangaldas said the one thing followed the other. He



then said that Indian ex-soldiers had been told they could not have land.

His Excellency said he had a long discussion with Sir Benjamin Robertson on this matter and he also personally knew several part of India. There were certain acreages set apart in India for settlement and it was a fact these had not been taken up. Therefore the argument that land is required for expansion was valueless.

Mr. Mangaldass said he had talked about the matter with Sir Benjamin Robertson. The ground referred to by His Excellency was a forest infested with disease, where no one could live for two years. Some lands that had been set apart in other areas in India were settled very closely and were now valued at Rs. 1,000 per acre.

His Excellency said Sir Benjamin Robertson in conversation did not agree to this view and had reported against the settlement of Indians in Tanganyika and Kenya.

Mr. Mangaldass then quoted from the Robertson report and said that Sir Benjamin Robertson had reported differently to the statements he had made here. One could live on five acres in India, there were markets available for produce—here one needed 100 acres.

#### **The Convention of Whites' Arguments.**

Mr. Anderson then replied on behalf of the Convention delegates. Referring to the question of the work Indians had done during the war, his own idea was that one always had a duty to one's country and that duty involved engaging in wars for the protection of one's home in times of peace and he thought India had a duty to the motherland in that she had been protected for many years. No one entered into warfare with the expectation of reward. The reply would be that certain areas had been thrown open for settlement and there was no reason why special exception should be made in the case of India. The question was whether colonisation should take place by the sons of another race whose qualities as settlers had still to be proved. The Indians came here as well as to Mesopotamia and to France because the climate was more suitable to them here than to European troops and many were sent here from France for the reason that the climate of Europe did not suit them. They were fighting under conditions to which they were not used. If the Indians claimed land in East Africa because they fought, he could not see why other races could not also claim land on the same plea. The first Indians came to the country for the purpose of trading with the natives: as traders they were superior to Europeans—they were great traders. The argument that the land was wanted for expansion was one of the most dangerous arguments put forward. They were here in the land as interlopers as far as



the interests of the natives were concerned. The benefit of the rising races had to be considered. They had the right to a place in their own land, and by granting this claim the development of native settlement would be made increasingly difficult.

Col. Paterson had told him of the reclamation of an area of one-half million acres in India and only a very small proportion of that had been taken up for settlement. If they had this land in their own country he could not understand why they should press for land in other areas. He also said that in India in the majority of agricultural districts where there were large holdings ; these were in the control of Europeans.

Many of the tea and coffee plantations throughout India were owned by Europeans principally. The small holder was of no use in this country ; he had not the market. The only farming done must be on a large scale and this had still to be undertaken in India. The Indian had adopted western methods and came to his country with the object of learning western methods of agriculture. Dealing with other points Mr. Anderson said that it was his experience that the Indian did not hold the authority of respect of the native, but he believed and hoped that would be attended to in the future.

Mr. Mangaldass in reply again urged the work of the soldiers and warned the House very seriously that there would not be a ready response should another war come along. He had always been a large employer of natives and found he had always retained prestige—the only difference was the European used the Kiboko (a whip by which the white settlers chastise the natives) more than the Indian. He again referred to the promises made by Governments, Kings and Queens for years and years past which had not been fulfilled.

Mr. Desai, following the arguments of Mr. Mangaldass, wanted to read some reports which His Excellency ruled out of order stating they could be taken as read. Mr. Desai was very persistent and His Excellency enquired whether he was the Chairman of the Conference or not.

Mr. Desai did not read his extracts. He insisted strongly it was not so much a question of Western civilisation ; it was a question of colour prejudice.

Mr. Anderson refuted the latter suggestion.

After further debate a deadlock ensued and the Conference adjourned without coming to any settlement.



# Report of the Standing Joint Committee on Indians in Kenya

The following is the report of the Standing Parliamentary Joint Committee on Indian affairs upon the question of Indians in Kenya issued in July 1921.

That the Standing Joint Committee have proceeded to consider the Despatch of the Government of India No. 33 of 21st October 1920 (Command Paper 1311 of 1921), relating to the political status of Indians in Kenya Colony, (*See I. A. R., 1921, p. 345*). They have taken this action on the initiative of certain members of the Committee in accordance with the procedure set out in their First Report.

1. This question has for a considerable period been one of some prominence. It has formed the subject of correspondence between Lord Milner, the Secretary of State for the Colonies, and the Officer Administering the Government of the East Africa Protectorate, the India Office, and the Indian Overseas Association.

The Indian Community of the Colony gave expression to their views when a deputation on the general subject of Reforms was received by the Secretary of State for the Colonies on April 19th 1920.

2. The original policy laid down by the Colonial Office in regard to these questions is shewn in the Despatch of Lord Milner of the 21st of May 1920 to the British East African Government.

(a) The Secretary of State agreed to the election of two Indian Members of the Legislative Council on a special franchise, and similar representation on Municipal Councils.

(b) He did not see his way to remove the restriction upon acquiring land in the Highlands, which he claimed would be discrimination in favour of the Asiatic as against European settlement but he offered other areas for Indian colonisation, and in paragraph 8 he laid down the principle of limited ownership of town-plots.

(c) He adhered to "Segregation" on the grounds of sanitation and social convenience; and he also stated that he could not countenance any restrictions which would place natives of India at a disadvantage as compared with other immigrants.

3. This Despatch of the Secretary of State for the Colonies was forwarded by the Secretary of State for India to the Govern-



ment of India, who replied in their Despatch No. 33, dated 21st October 1920 (Command Paper 1311 of 1921) setting forth their views upon the subject.

These views were briefly as follows :—

(1) As regards Franchise, they reiterated their opinion that there should be a Common Electoral Roll. They admitted that the bulk of the Indians were not ripe for the adult suffrage which the Europeans at present enjoy but they proposed that there should be a common franchise on a reasonable property basis plus an educational test without racial discrimination for all British subjects.

(2) They considered that the original discrimination exercised in making Government grants of land in Highlands was not now at issue as practically all the lands had been allotted and that there was no justification for extending this discrimination to the transfer of Upland farms which were already in occupation. Even if the principle of race-segregation were admitted the necessity for the prohibition of the transfer of town-plots from Europeans to Asiatics did not seem obvious and they considered it inequitable to restrict the right of transfer of plots already alienated and unnecessary to impose any such restriction on the sale of net plots which might be alienated hereafter.

(3) The decision of the Colonial Office as to the segregation of races was, they asserted, resented not only by Indians in East Africa but by educated opinion throughout India. They believed that sanitation and social convenience could be adequately secured by mutual consent, by strict enforcement of sanitary and building laws and by a just administration of municipal revenues. Legislation on racial lines would stimulate hostility and ill-feeling and would, they feared, gratuitously provoke political trouble in India and throughout the Empire.

As a basis for these specific suggestions the Government of India urged that there was no justification in a Crown Colony or Protectorate for assigning to British Indians a status in any way inferior to that of any other class of His Majesty's subjects.

They referred in conclusion to a suggestion that a Royal Commission should be appointed to consider the whole question of the administration of East African Territories and urged the appointment of such a Commission and the inclusion of the Indian question in the terms of reference.

4. The discussions had reached this point when the Committee took up the question.

The Committee have heard witnesses representative both of the European settlers and of Indian opinion in Kenya. They have also had the advantage of the evidence of official witnesses connected



with Kenya, and of Sir Benjamin Robertson, who visited the Colony on behalf of the Government of India. The Under-Secretaries of State for the Colonies and for India have also attended the Committee and explained the present attitude of their representative Departments.

The Committee have examined and sifted the oral evidence both in relation to the policy of the Colonial Office and to the proposals of the Government of India in the hope of ascertaining some common ground for settlement.

5. The Committee have, moreover, reviewed with care the proposals made by the Government of India in their despatch of 21st October.

The claim made by the Government of India as to status on behalf of the Indians in Kenya is clear. They do not suggest that Responsible Government should be given to the Colony, or that the present official majority in the Legislative Council should be abandoned, or that the basis of Crown Colony Administration should be modified, but they claim for the British Indians that they should share with the European settlers on a common franchise the right of electing members of the Legislature and of the Municipal Bodies; and that there should be no discrimination against Indians as such as regards other rights which these settlers enjoy.

In this connection the Committee have noted the wide concessions affecting status which are granted to all Nationals of State Members of the League of Nations under the Draft Mandate for the adjacent Mandated Territory of Tanganyika (Command Paper 1284 of 1921).

6. The Committee have decided to commend the acceptance of the general principle which the Government of India have laid down, namely, that there is no justification in Kenya for assigning to British Indians a status in any way inferior to that of any other class of His Majesty's subjects. Kenya is a Colony in which India has always had a peculiar interest, and Indians have taken a large share in its economic development. It is true that the Committee quickly realised that the question involved not merely the status and privilege of Indians in Kenya colony, but in any British Colony, mandated territory, or Protectorate, into which Indian immigration has occurred, or may occur in the future. The handling of this question cannot therefore be dissociated from Imperial policy of vital importance, and may affect even the self-governing Dominions. But it is with Kenya alone that the Committee are at present concerned, and their recommendations are limited to the problems which have arisen there. It is the view of the Committee that any opinions which they may express with regard to Kenya need not



of necessity be applicable to other cases, where the conditions may be different, and they have no desire to prejudge future issues which may not be wholly analogous.

In the light of this conclusion they have examined the specific proposal of the Government of India as to Franchise, Segregation and Ownership of land.

As regards the Franchise, the Committee accept the contention that Indians at present are not properly represented in the political and municipal life of the country, regard being had to their number, the position which they occupy, the taxes which they pay, and the part that they are taking in the industrial and commercial progress of the Colony. The Committee believe that a reform of the Franchise is due, which will secure for Indians an increased representation in the Legislative Council and Municipal bodies, and that effect should be given to such reform without undue delay. It may be that the best machinery will be found in the adoption of a common electoral roll and a Common Franchise on a property basis with an educational test. This is in effect the Indian claim, but it was strongly objected to by some of the witnesses on the ground that, as Indians outnumber the Europeans by more than three to one (about 30,000 to 8,000 or 9,000), a Common Roll, even with a restricted Franchise, would, if not immediately, before long give a majority to the Indians and create a situation which the Europeans could not accept. Upon the information before them, the Committee do not feel in a position to suggest in what precise manner the Franchise should be framed with regard to the various interests concerned in Kenya. Any standard of property and education must be a question for examination, and the new regulations cannot be prepared satisfactorily without an enquiry into local conditions and an attempt to compose on the spot the contending opinions in Kenya.

8. Compulsory Segregation is undoubtedly considered by Indians as a badge of racial inferiority, and the question of how far it can be avoided ought to be carefully explored. There is evidence that certain Indian quarters in the towns have become a danger to the general health. The Committee see no reason to suppose that the arguments which have been put forward in defence of Segregation could not be met by a system of sanitation founded on the careful enforcement of uniform and enlightened regulations.

Experience is available in India of the success with which such regulations can be made effective to enable Indians and Europeans to live and carry on business side by side in harmony without resort to legal segregation.



9. There remains the question of the Ownership of Land, which is represented by Indians as another instance of the racial discrimination of which they complain.

The claim of Indians to the right of settlement in the Highlands of the Colony presents difficulties of a special kind. The Committee are informed that the bulk of available land has already been conveyed away; and they understand that the Colonial Office regards itself as bound by certain pledges in favour of European settlers. They have naturally no desire to suggest any breach of faith; but they have received evidence which would seem to justify further enquiry into the matter. To what extent reform can be effected on practical and equitable lines is a matter for investigation which the Committee clearly could not undertake.

10. The Committee have reached the conclusion that the evidence before them is insufficient to serve as a basis for any fair judgment on these important questions. It has only served to emphasise the delicacy and extreme difficulty of the whole problem, and convinced them that they cannot hope to get the material for making comprehensive recommendations from any evidence which can be obtained in this country.

To pass a dogmatic judgment on the several points at issue would be impossible without local knowledge to which the Committee cannot pretend or without calling masses of evidence which it might be inconvenient or impossible to obtain. Nor could the Committee, sitting in London, estimate with accuracy the depth of feeling which ranges itself behind the widely divergent views held in the Colony, or make satisfactory efforts to allay those feelings and reconcile those views. Further, the Committee recognise that it would be difficult and possibly unfair, to expect the local Government of the Colony and its officers to translate into the details of administration conclusions which may not be received with complete and general approval in the Colony.

11. The Committee therefore strongly urge that some impartial body should visit Kenya and formulate detailed proposals as regards the various questions at issue. Practically every witness who has appeared before the Committee has admitted the advantages of such a course. The Committee recommend that, subject to the recognition of the general principle of status, this body should be charged with submitting proposals for the settlement of the difficulties as to the Franchise and the Ownership of Land and to report how far Segregation can be avoided, or proper sanitary regulations enforced.

The Committee are concerned alone with the grievances of



British Indians in Kenya, and if the enquiry is to be limited to these grievances, they may make precise recommendations as to the nature of the tribunal which should be appointed.

12. The Committee are aware, however, that there are other problems in E. Africa, which will call for local investigation, besides the grievances of Indians. And even in the examination of these grievances it must not be forgotten that it is the native population which forms the predominant factor in the country. It vastly exceeds the Europeans and the Asiatics in number. In Kenya alone, the natives number probably 2,800,000 while the Europeans and Asiatics together do not exceed 40,000. The continuance in Kenya of the Crown Colony system of administration implies the recognition of our duty to the Native African Races, and their ultimate participation in some form of Self-Government will depend on their response to the influence of Civilization.

The problem of the Indian community is thus only part of a much larger one which faces His Majesty's Government, not only in Kenya but also in the adjacent tropical Colonies and in the Mandated Territory of Tanganyika; and the comparatively narrow problem to which the Committee have addressed themselves has brought into the perspective matters of urgent imperial moment in tropical administration. If it is found desirable to appoint a Royal Commission to consider the matters, the Committee recommend the inclusion of the Indian question in its terms of reference.



# The Anti-Indian Agitation

The publication of this report maddened the European settlers and set them to a whirlwind campaign of agitation against the Indians. A strong protest against the report was made in the *Times* over the names of Lord Sydenham, Sir W. Joynson Hicks and Sir Charles Townshend, the dogged enemies of all legitimate Indian claims. The cry was raised that Kenya ought to be retained as a Colony for White men and that the principle of equal status for Indians should in no case be conceded, adding that "we cannot imagine that any British Government would give Indians equal franchise with the White men and, in fact, by so doing convert an British Colony into an Indian Dependency." The situation became so grave that Sir E. Northey, the Governor, was called to London to discuss the situation with the Colonial Secretary. The Europeans in Kenya despatched a deputation to tour throughout Rhodesia and the Union of South Africa and to interview General Smuts with a view to invoking his sympathy. General Smuts, being forbidden by his position to receive the deputation officially, consented, however, to receive it unofficially, and assured the deputation of his unofficial sympathy. He added that he had urged upon the Imperial Conference the view that as regards the Indian question Africa should be treated as a whole. The deputation, after the interview with General Smuts, toured the Union, and everywhere received expressions of sympathy. Meantime the natives in Kenya had not remained silent, and at several public meetings had expressed the view that they regarded the Indians as their best friends after the English missionaries, and that the influence of the Indian upon the native was all to the good. It was alleged by the Europeans, however, that these native resolutions had been engineered by the Indians as a reply to the allegations made by the Europeans that the influence of the Indians upon the natives was evil and corrupting. In October Sir E. Northey returned from England but, contrary to expectation, he made no immediate pronouncement of policy. In a speech, delivered shortly after his return, he declared that his intention was to endeavour to bring about a better state of feeling between Indians and Europeans, as, in the present whirlpool of emotions, it was impossible that any reasonable compromise could be effected.

The following extract from a secret document of the Convention of Association clearly shows their attitude :—



"That the Indian menace to the European colonisation of Kenya being economic in origin and dependent upon economic causes for its continuance, this Convention (i.e. the Convention of Associations) urges District Associations to carry out with the utmost vigour, determination and relentlessness the 'boycott' of all Indians in this Colony. It further recommends appointment of local vigilance Committees and local adjudicating and advisory Committees to deal with any cases requiring special or exceptional treatment and to consider methods of more active prosecution, and further that the Executive of the Convention be instructed to confer with the wholesale and retail merchants at Nairobi with a view to impressing upon them the strong feeling in the Colony on this question, and to endeavour to obtain the co-operation of and to link up merchants free from Indian sympathies with the white consumer, and further that a Sub-Committee of the Executive be appointed to carry out this latter proposal and to act as general adjudicating Committee to which may be referred any differences or difficulties arising. Further, that the Sub-Committee of the Executive immediately set on foot a campaign for the reduction of Asiatic Artizan Labour."

In this respect, so far as the information goes, the Executive of the Convention of the Associations have written to several European firms to remove all their Asiatic staff and to replace same by either Europeans or the natives of the country.

## Another Document

Similarly, the Convention of Associations, Nairobi, sent through the Governor to the Rt. Hon. the Secretary of State for the Colonies, the following strong recommendation on the "Indian policy in Kenya":—

"India is engaged in a great and difficult experiment. It will take some years to determine whether any part of Africa is capable of Self-Government on the Western plan. As an experiment it may be justified as a possible means of making India a voluntary member of the nations which make up the British Empire.

"But she has still to prove herself and no valid argument can be produced 'for giving her equal political rights with Europeans' in Africa who have proved their capacity for Government over other races for whom the Imperial Government is responsible. We feel therefore:—(a) That the experience of the past has proved the impossibility of mixing Europeans and Asiatics in one Colony on any footing which is acceptable to both, (b) that therefore the Imperial Conference has in fact laid down a policy of segregation by countries between East and West by reciprocal control of immigration, (c) That Indians not having proved themselves 'capable of governing' themselves cannot be judged capable of helping to govern others. (d) That the policy of segregation laid down by Imperial Conference should not be prejudiced beforehand in countries which had been given constitutional rights which are in reality a pledge of Self-Government in the future by the Imperial Government. That the new supplementary policy of the Imperial Conference in 1921 is contradictory to the spirit of the policy laid down in 1917, if it is applied to countries which, as in Kenya, have been given any such measures of popular European representation as foreshadowed Self-Government in the future. (f) That the introduction of any form of Eastern control in Africa is a real potential danger to the Empire. No one can say with certainty to-day



that India will side with us when the inevitable struggle between East and West takes place, and even if the chance of her not doing so is a small one, it is unwise to run even the slightest risk of throwing Africa into this scale on the wrong side. European Colonies in Africa can only strengthen the Empire. Asiatic control over any part of Africa may easily be a source of weakness. The experience of the past has shown that you cannot have both within the same boundaries without creating that very friction you wish to avoid. (g) That the Imperial Government should not prejudice the future of the African by sharing its burden and responsibility of Government with a race which has no right, by conquest or by peaceful penetration, except under British Protection, to consider itself entitled to rule Africa. That in the future Africans should share in the Government of their own continent is in keeping with the Imperial policy, and that in the meanwhile they should fill the posts which their capacity allow is surely their right. European settlement is undoubtedly complementary to African advancement. Asiatic settlement can only detrimentally compete with African advancement.

### **'Cannot Live Together'**

(h) 'That, therefore, the 'basis of the Policy' for Kenya should not be a nebulous formula, which introduces the troubles South Africa is undergoing now, and which the self-governing Europeans have had to overcome in the past, and thereby creating continual friction between Indian and the units of the Empire. The basis of the Policy should be the recognition of the true spirit of the Imperial Conference of 1917 which was that the European and Asiatic cannot live together on any footing of equality within the same boundaries, without creating a friction which is harmful to the Empire.

(i) In the case of Crown Colonies as Kenya, 'equal rights for civilised men' as applied to Asiatic can only keep alive that friction which is intended to lay the root, and prejudice the future peaceful political advancement of the country; besides taking from the European community political rights which the past policy of the Empire has led them to expect. Once this is recognised, a form of equality policy can be laid down for the Asiatic already legally domiciled in Kenya. Once India is informed that she has to prove her own capacity for self-Government, that a demand for right over other inhabitants of the Empire cannot be considered, and that she knows this is the unalterable determination of the Imperial Government, the agitation to take part in the Government of Africa will die down, just as the agitation to obtain rights in Australia and Canada has faded away.

"The past policy of the Imperial Government to attempt to force on European Communities political rights for Australia has failed, and, besides creating friction with the Empire itself, is to-day standing a bar to the true world policy of England, close co-operation within the United States of America for the advancement of our natural civilisation."

### **The Stanford Memorandum**

The following memorandum issued by Mr. Stanford, the Governor's Private Secretary, to the Municipal Council, speaks for itself.

1. "The present constitution of the Municipal Council is nominally:—Europeans 15, Indians 2, Goan 1.

2. In 1917 the constitution was:—Europeans 6, Indians 2, Goan 1, European Officials 9:



3. European Officials were withdrawn from the Council at the end of 1918, the Indian Association then arguing that the preponderance of European Unofficial members was prejudicial to their interests.

4. The European members now offer the Indians 4 seats, presumably exclusive of the Goan member.

5. As a basis of argument, let it be assumed.—[a] That the Council should consist of about 18 members. [b] That Municipal representation should in equity be based on [i] Population, [ii] Payment of Rates, [iii] Educational qualifications, [iv] Property qualifications, [c] That there is no adequate reason for any racial preponderance not provided by adherence to the qualifications mentioned in [b], [d] That the present constitution of the Council cannot be regarded as an equitable precedent.

6. In examining the sub-sections of paragraph 5 [b] we find from the late census returns that the adult population of Nairobi is,—Europeans 1,874, Indians 5,628, Goans 928, Arabs 73, others 172.

7. Rates paid by the Indian Community are stated by the Indian Association to be sixty-seven and half per cent of the whole.

8. The Indian Community admit that some 60 per cent of their community are illiterate in English. The census officer suggests 90 per cent. are illiterate. As a compromise until an assessment is made, let it be assumed that 25 per cent of the Indian Community can satisfy a reasonable educational test.

9. Let it be further assumed that 80 per cent. of the Goan community can satisfy such a test and that all Europeans can do so.

10. Omitting property qualifications, the proportion of representation on these figures should be :—Europeans 19, Indians 14, Goans 7, or on a total of 18 members of the Council :—Europeans 9, Indians 6, Goans 3.

The Goans are, perhaps, over-represented, but on present information, that should be the constitution of the Council. Modification might be necessary on detailed assessment of qualified electors.

11. The above figures have included adult women in the qualified population. Any proposal for a common franchise cannot automatically exclude women of one community while admitting those of another but it is probable that a property qualification will disfranchise the majority of women.

12. The accompanying statement shows the proportion of qualified voters on the above assumptions following the census areas :—Areas 1 to 25 Europeans 1,872, Indians 1,403 Goans 731.

On Dec. 19th, 1921 the Nairobi Municipal Councillors (Europeans) and the representatives of the Nairobi Indian Association met together and discussed the Standford Memorandum at the suggestion of the Governor. But the Europeans were obdurate. The Town clerk in his note said : "it is submitted to His Excellency that the issue is an integral part of the general political question and cannot be separately treated. The invitation to the Council to regard the whole question as non-political and to approach it without reference to larger issue is, in effect, "whatever its motive a move towards circumventing the opposition to the Asiatic agitation by encountering the parties interested separately and



defeating them in details. The Council must not walk into the trap.

"It will be remembered that in 1917 both the Indian and the Goan Communities were allowed to hold elections, which were so irregularly conducted that Government refused to accept the results. In 1918 two Indians and one Goan were elected, after polling conducted by the Municipal staff. In 1919 the election Committee knowing that a large proportion of the Asiatic voters who registered the previous year had only temporarily acquired the ability to write their own names in order that they might be registered, insisted on opening a new Register which the Indian Community refused to recognise. Since then no Indian candidates have ever come forward.

"These circumstances, it is submitted indicate the unfitness of the Asiatic Community here for representative institutions."

#### The Delamere Deputation.

And not only this. An European Delegation to Mr. Churchill headed by Lord Delamere was sent in December last by the Europeans of Nairobi to urge their views on the Colonial Office, and the Government announced that Mr. Churchill will make a pronouncement after seeing the Delamere delegation and will not decide the Indian policy in Kenya till then. The following is taken from the memorandum of the delegation submitted to the Colonial Office :—

"The British European community now insist that the ultimate Asiatic Policy of the Colony must include the principles which they have for long past maintained as essential to the development of Kenya and to the maintenance of Imperial integrity ; principles which the convention of associations affirmed in June 1919, and, in reaffirming in 1921, digested into the following five cardinal points :—

[i] Strictly controlled immigration at present, with a view to ultimate prohibition.

[ii] Two nominated, and not elected, Indian Members of the Legislative Council.

[iii] Segregation in residential areas, and, where practicable, in commercial areas also.

[iv] No alienation to Asiatics in the Highland area.

[v] Full recognition of existing Asiatic's property rights.

#### The Memorandum goes on to state :—

"As regards segregation—a people which has elevated caste into a religion and carried the principle of exclusiveness to an extreme pitch can hardly be taken seriously in their objection to segregation. . . . The dangers of non-segregation of an oriental race in a European Community are mainly on sanitary and moral grounds. The views of the bulk of the local Indians on sanitation are worse than primitive . . . . From the moral aspect, the breaking down of the barrier of segregation will inevitably lead to the establishment of mixed schools with the undesirable consequence of the English children sitting along-



side Indian children, who are in all probability married and initiated into the mysteries of sex. The Europeans of Kenya cannot agree to face dangers of such magnitude . . . it may be pointed out that Professor Simpson advised on social and sanitary grounds, not only the segregation of the two communities, but the establishment of reserves of neutral zones between European and Asiatic residential areas as a further safeguard against the intermingling of the races."

"There is no room for doubt that the Church and the Missionary Societies take the view that the grant of right to India which would lead to her ultimate supremacy would sound the death-knell of native advancement. Cann Burns, one of our oldest and best-known missionaries, gave it as his opinion that, if the proposed concession to Indians were carried into effect, the progress of the native would be put back 50 years.

"The Medical faculty is equally emphatic. Dr. Burkitt, the senior private medical practitioner in the Colony, who was for many years a medical officer in India, said :—I say as a medical man that no sanitation can be carried out in the face of the abominable religious customs of Indians, and, judging from what I myself have seen of them, I say unhesitatingly that they are much more degrading and debasing than anything I have seen or heard of among the natives of this country. Venereal disease, I need hardly say, in people following such debasing religious customs, is rampant, more rampant probably than anywhere else. The same may be said of bestial sexual offences, also generated by these religions."

"There is a wider aspect. Our concern for our homes in Kenya and for the well-being of the native people does not blind us to the fact that the danger to the Empire and to Christianity is greater.

"If the East is permitted to penetrate Africa and the Trusteeship of the vast native population be transferred to other and alien hands, then gone is the dream of a series of Christian African States, created and linked together by the genius of British Colonisation.

"Australia, New Zealand, Canada and South Africa have all closed the door to Indian Immigration. All have seen the danger. To those on the spot the menace is apparent. To those at home in England it is vague and indefinite.

"To sum up ;—

"Is England to be marked with the stain of betraying the African Native to Eastern rule?"

"Is the young growth of Christianity and Western Civilisation to be supplanted by Eastern creeds and superstitions?"

This document was signed by Lord Delamere and by Mr. C. K. Archer on behalf of the European Convention of Associations of Kenya. The following passage occurs in a memorial submitted to the Colonial Secretary, Mr. Churchill, by the European Convention :—

"We feel that experience of the past has proved the impossibility of mixing Europeans and Asiatics in one Colony : that the Imperial Conference has in fact laid down a policy of segregation between East and West by reciprocal control of Immigration ; that the introduction of any form of Eastern control in Africa is a real potential danger to the Empire. No one can say with certainty to-day that India will side with us in the inevitable struggle between East and West. . . . The past policy of the Imperial Government to attempt to force on European Communities political rights for Asiatics has failed. Besides creating friction within the Empire itself, it is to-day standing as a barrier to the true world policy of England in close co-operation with the United States of America for the advancement of our civilisation."



As opposed to the European Deputation there was also an Indian Deputation in England which was totally ignored by Mr. Churchill. On 28th January 1922 when speaking at the Kenya Colony Dinner in London, where he was the chief guest, Mr. Churchill delivered himself of a highly reactionary speech and blatantly declared that Kenya was a characteristically and distinctively British colony. He said :—

*Mr. Churchill's Kenya Speech.*

"Let me make one statement which will, I trust, limit the anxieties which are felt by the White population. I am now in communication with my friend Lord Delamere on the general question of what is to be done to regulate the position of Indians in East Africa. We consider we are pledged by undertakings given in the past to reserve the highlands of East Africa exclusively for European settlers, and we do not intend to depart from that pledge. That must be taken as a matter that has been definitely settled in all future negotiations.

"We consider that the interests of British settlers and the native population alike require that all future immigration of Indians shall be strictly regulated, and that the same principle of equal rights and conditions for all civilised men shall rule in respect of immigration laws as in all others. We recognize that the laws relating to immigration and the administration of these laws, more than almost any other matter, must be a subject of the closest consultation between the official Government and the existing residents in the country. We do not contemplate any settlement or system which will prevent British East Africa or Kenya becoming a characteristically and distinctively British Colony, looking forward in full fruition of time to complete responsible Self-Government.

*An East African Federation.*

"There is one other question I will touch upon. That is the scheme, which has been in so many minds, to amalgamate the four countries of Kenya, Uganda, Tanganyika, and Zanzibar. This would make a magnificent whole, and there is no doubt that many of the problems—railway problems, financial problems, which present themselves to-day in each of these four countries, can be solved on a higher plane and with greater advantage if there were a united superior organisation for the whole of those regions. I have been directing my advisers to study this matter in detail, and if no action has yet been taken it is not that I have any doubt that this is the ultimate conclusion which we shall reach, and reach in a few years. I have delayed action for one reason and one reason only, that we are going through bad times and that we cannot afford to disturb the existing order at the present moment. We have just



to hold on until times get better. I look forward undoubtedly to a day when a great East African Federation, almost an Empire, will be created, with a common energy and with massed and pooled credits and resources, by which every member of that Federation would be benefitted. I look forward to the day when such a Confederation will take its place in the Crown Colonies of the British Empire on equal terms with the great West African Colonies, which are so prosperous, and with which Sir Frederick Lugard, who is here to-night, has been so successfully associated."

#### The Govt. of India's Protest.

This speech raised a ferment of agitation both in India and in Kenya. The betrayal of Indians in the Colony by Mr. Churchill was the subject of animated debate in the press and platform. The following telegram was addressed by His Excellency the Viceroy to His Majesty's Secretary of State for India, 25th February, 1922. "On the 23rd February the following resolution was carried unanimously in the Council of State : This Council recommends to the Governor-General-in-Council that he should communicate to the Right Hon'. the Secretary of State for India the strong feeling of resentment aroused in this Council and in the country generally by the speech of the Right Hon'. Winston Churchill delivered at the last East African Dinner in London.

"The same strength of feeling was revealed in the debate as was shown in the Assembly. One member even urged that the Government of India should not rest content with mere representations, notwithstanding how strongly they are worded, but in the event of failure to secure a decision in favour of the Indians the Indian members should resign in a body as a constitutional protest. Mr. Churchill's later statement in the House of Commons on the 14th instant has had no effect in relieving anxiety and indignation felt in this country."

#### The Kenya Agitation.

A joint meeting of the members of the Standing Committee of the Congress and the local association was held in Mombasa on 30th January 1922 when the following resolution was passed.—

(After referring to the Churchill pronouncement, it was—)

Resolved that in view of the situation thus arisen, the Interim representations be declined and a special session of the Congress be convened if necessary to consider the situation and to take steps in accordance with the resolution of non-co operation passed at the third session of the Congress held at Mombassa in 1920.

Resolved further that all the associations of the country be informed and recommended to pass similar resolutions.

#### The N-C-O Resolution

The following is the N-C-O resolution referred to above :—



"Whereas in spite of repeated representations from His Majesty's Indian subjects in East Africa and from all other sources and the Government of India from time to time to accord equal treatment to them in all respects based on the principle of equality of status for the Indians within the Empire in general and in Crown Colonies and Protectorates in particular, His Majesty's Secretary of State for the Colonies, influenced by the pressure of a class of European settlers full of racial animosity and trade jealousy, meted out humiliating treatment to the trusted deputation of the Indians of East Africa headed by the president of the third session of the Congress, Mr. A. M. Jeevanjee, who declared in his speech delivered in the House of Lords on the 14th July, 1920, and subsequently announced by His Excellency the Governor, the administrative policy to be adopted as regards the Indians residing therein with regard to franchise, segregation of races and ownership of land—a policy which is absolutely unjust and disappointing, violates all the acknowledged principles of civilised Government and is detrimental to the future prosperity of the Colony and the interest of the Empire—this Congress humbly and respectfully appeals to His Majesty-in-Council to issue instructions to his responsible ministers to recognise the principle and practice of complete equality of status for the Indians in Eastern Africa.—

"(a) By immediately removing all disabilities resulting from the adoption of the principle of segregation of races in the East African Territories which is most injurious and detrimental to the political advancement and economical interests of the Indian subjects of His Majesty the King, the right of franchise on the same basis as that on which it is granted to the Europeans on a common register.

"(b) By removing all disabilities imposed upon the British Indian in acquiring land in any part of the Colony of Kenya Protectorate of East Africa, Uganda and Zanzibar, and

"(c) By removing the racial bar which at present exists in the way of Indian Civil Servants being appointed and promoted to Officer grade.

"Failing which within a reasonable time this Congress resolves that it has no alternative left to it but to advise and adopt such measures of peaceful and effective political weapons of self-defence, such as non co-operation, as a remedy to achieve the objects specified above by stages that should be decided under the advice and guidance of distinguished Indian leaders who should be invited here specially for this purpose at an extraordinary session of the Congress to be convened specially for this purpose."

#### Kenya in the Commons

The agitation over the Churchill pronouncement grew into threatening proportions. It was an open secret that Messrs Churchill



and Montagu were in strong disagreement in the Lloyd-Georgian cabinet as to Britain's Colonial policy. Mr. Montagu tried to counteract Mr. Churchill's notorious statements in his 1920 Club speech but Mr. Montagu himself had to go owing to his pro-Indian proclivities.

In the course of examining the conditions in Kenya during the Colonial Office debate in the House of Commons on July 4th. 1922, Mr. Wood said that after further discussing the Indian question with Earl Winterton he was far from unhopeful of the possibility of agreement. Mr. Churchill was always prepared to offer Indians exclusive use of other lands outside the Highlands, but with reference to that area he considered that their hands were tied by past history. In his opinion throwing the Highlands open to universal colonisation would be inconsistent with the understanding on which the settlers were induced to settle there. Mr. Wood laid emphasis on his statement that the settlement of the Indian question must be regarded in the light of the practical stubborn facts of Kenya.

#### The Present Situation

Events, however, began to take a more hopeful turn later on when Sir Edward Northey, the anti-Indian Governor under whose ægis the European Convention and the Delamere-gang were able so extraordinarily to flourish, was recalled and Sir Robert Coryndon was appointed Governor in his place. Since his assumption of office Sir Robert has shown a keen appreciation of the Indians' difficulties and has evinced a personal solicitude for the just and human claims of the Indian settlers. His Excellency went so far as to open on invitation the Fourth Session of the East Indian National Congress 1922 and in doing so expressed himself very felicitously of the loyalty of the Indians.

### Resolutions of the East Africa Indian Congress

The following among other resolutions were adopted at the last session of the East Africa Indian National Congress under the presidency of Mr. M. A. Desai.

#### Protest Against Segregation

This Congress views with great alarm and consternation the announcement made by the Secretary of State for the Colonies at the East African Dinner and by the Under-Secretary of State in the House of Commons on the occasion of the Colonial Office vote, regarding the reservation of Highlands for Europeans and indignantly protests against any such disabilities being imposed on His Majesty's Indian subjects; the same being inconsistent with the principle of equality.

This Congress does not recognise that any pledge could be or ever has been given to Europeans for the reservation of Highlands but on the other hand Indians have it on the authority of no less a person than Lord Elgin, the then



Secretary of State for the Colonies, that "with regard to granting of land to Indians it is not consonant with the views of His Majesty's Government to impose legal restrictions on any particular section of the community."

This Congress re-asserts that the Crown Land Ordinance, 1915, which openly sanctions racial bar on transfer of Land is a direct contravention of the above definite pledge to Indians, especially in view of the fact that section 73 of the said Ordinance has been invariably used to veto transfers to Indians.

This Congress most emphatically affirms that the question of franchise on a common electoral basis to His Majesty's Indian subjects, domiciled within the East African territories, is unduly delayed and is retarding their progress seriously; therefore, this Congress most earnestly appeals to His Majesty's Government to grant equal and common franchise to Indians, thus affording them equal opportunity to contribute to the welfare and prosperity of the East African territories.

This Congress, in view of the part played by Indian troops in the early conquest, pacification and development of these territories, strongly urges His Majesty's Government not to impose any restriction on Indian immigration. Such measures will undoubtedly seriously interfere with the development of the African Natives and hamper the progress of the East African territories.

This Congress places on record, once more, their most emphatic and indignant protest against the principle of segregation of Indians in East Africa because, apart from wounding their national susceptibilities, it is subversive of all economical principles, prejudicial to the rights of private ownership and destructive of all vested interests of the Indian community.

In view of the declaration of policy by the present Secretary of State for the Colonies on the 22nd June 1921, this Congress respectfully urges him to throw open the higher Civil and Military posts to Indians according to merit and irrespective of colour, creed and race.

### **Indians and Self-Defence**

(a) This Congress places on record their sense of disappointment at the absence of opportunity to the Indian community for participation in the defence of these countries and protests against the Territorial Force Ordinance.

(b) In view of a large number of callous murders of defenceless Indians committed in the colony of Kenya and adjoining territories and of the increasing number of daring burglaries, this Congress strongly resents the persistent refusal of the Police authorities to grant permission to Indians to possess suitable fire-arms for their protection.

There is no law prohibiting British Indians from possessing firearms and the past record proves that such Indians who are in possession of fire-arms have never abused the privilege. The nature of the country with wild animals and with warlike Natives renders it absolutely necessary that Indians should be freely permitted to possess weapon of self-defence according to their own choice without any interference by the Police.

### **Indian Settlers in Tanganyika**

This Congress re-affirms its resolution No. 4 adopted in connection with Indian interests in the Tanganyika Territories at its 2nd session held in the year 1921, and in view of the fast progression of settlement by acquisition of immense properties by Indians, requests the Tanganyika Government to move in the matters referred to in the said Resolution as soon as possible.

### **East African Federation not Wanted**

(a) This Congress strongly protests against the idea of the contemplated East African Federation in that the Zanzibar Protectorate is virtually an autonomous Arab Sultanate, the Tanganyika a mandated territory and Uganda a



Protectorate, and more especially when the population of these territories is opposed to such federation.

(b) This Congress supports the opinion of His Majesty's British Indian Subjects in the Zanzibar Protectorate that the post of the High Commissioner for that Protectorate having not justified itself during so many years past should be abolished and the British Resident made directly responsible to His Majesty's Secretary of State for the Colonies.

This Congress urges His Majesty's Government to introduce the liberal institutions in the Local Government of Zanzibar such as the extension of the present Protectorate Council to a Legislative Council on elective principles, and the establishment of Municipality with adequate Indian representation thereon.

### Equal Rights for Indians

(a) This Congress requests the Local Government and especially the Government of the Colony of Kenya to grant adequate representation to the Indian community on the District Committees, Road Boards in the Colony and Protectorate of Kenya as well as on the Land Board.

(b) That the Government of Kenya be requested to introduce a Bill in the Legislative Council for the enforcement of the system of Trial by Jury at the first opportunity and the local Governments of the adjoining territories be also requested to extend the said principles at the earliest opportunity.

(c) This Congress resolves that the local Governments be requested to make improvements in the diet, clothing and housing accommodation of Indian prisoners in His Majesty's prisons in East African territories; the present treatment as regards food and clothing, etc., meted out to Indians being inferior to that granted to the Natives of South Africa, Sychellians, and Portuguese Indian subjects.

(d) This Congress requests the various local Governments to provide adequate hospital accommodation for the Indian community.

(e) This Congress requests the local Governments to appoint Indian Visiting Justices to visit gaols to ascertain the exact state of treatment meted out to Indian prisoners and also to appoint Justices of the Peace or Honorary Magistrates to attend the cases of Indian litigants.

(f) The Congress resolves that the local Government be requested to issue 99 years' leases to the holders of Shambas on temporary leases throughout the Colony of Kenya and especially in Nairobi and Machakos.

### Uganda Protectorate

(a) This Congress views with great concern the attitude adopted by the Government of Uganda Protectorate regarding the repeated legitimate demands of the Indian community for equal proportion of representation on the Legislative Council with the un-official Europeans in spite of the fact that the Indians are numerically more than three times the European population and their vested interests are far greater than the European settlers in the said Protectorate.

(b) This Congress is strongly of opinion that the Uganda Government should recognise holders of degrees from Indian Universities in respect of the legal and medical profession, and the holders of such degrees should be permitted to practice in the said Protectorate.

(c) This Congress strongly condemns the practice of the Railway authorities in disallowing Indians to travel in 1st Class cabins on the steamers in the Lake Kioga and in making invidious distinction even between the Japanese and his Majesty's Indian Subjects in this respect.

(d) This Congress is strongly of opinion that the Secretary of State for the Colonies must be asked to take immediate steps to ask the Belgium authori-



ties to remove the unreasonable restrictions at present imposed upon British Indian subjects in the way of demanding extra-ordinary National Passports, certification of character etc., which hinder the free entrance of British Indian subjects into Belgian Congo.

### Municipal Franchise

This Congress records their sense of profound indignation at the unnecessary delay in enfranchising Indians on a common electoral basis for the Nairobi Municipal Corporation and requests the Government of Kenya immediately to settle the question of Indian representation on the Municipal Corporation at Nairobi and also authorises the Standing Committee of the Congress and the Indian Association, Nairobi, to take any steps regarding the non-payment of taxes of the Municipal Corporation, Nairobi, in the event of absence of a satisfactory settlement of the Indian Municipal franchise at any time they deem expedient.

### The following is the Resolution adopted at Mombasa in 1920.

Whereas from all considerations, geographical, historical, climatic, social and political, and from the ancient connection of India with the Tanganyika Territory, and whereas India is one of the nations that took a prominent part in conquering the said Territory from Germany, and whereas the successful development of the Tanganyika Territory to be handed to Great Britain for administration must necessitate connection of India with this Colony, by means of Indian immigration, Indian capital, trade, industries etc. (in fact all the requisites to colonise and develop a country) on a very advanced measure, and whereas in view of the recent policies declared by the Colonial Office in respect of the status of the Indians in the adjacent Kenya Colony and Uganda Protectorate it is necessary to assure public feelings here and in India, to have definite safeguards of the position of Indians in the said Tanganyika Territory;—This Congress is of opinion that there shall be no discrimination against Indians entering into and enjoying full rights of occupation and citizenship in Tanganyika Territory, and further resolves to communicate with the Indian members of the League of Nations to make definite provisions in the mandate about to be given to preserve the full rights referred to above for Indians in the said territory.

That, in view of the forthcoming re-adjustment of the vast territory of Tanganyika, formerly known as German East Africa, by extensive sale of properties, moveable and immoveable, and its subsequent development by agriculture, colonization, immigration, trade and industries this Congress earnestly requests the Imperial Indian Citizenship Association to send a deputation of some leading Indians representing the Indian Merchants' Chamber and Bureau, Mill-Owners Association, the British Indian Colonial Merchants' Association, the Imperial Indian Citizenship Association, Grain Merchants' Association, the Native Piece-Goods Merchants' Association etc, to study the position of this country for Indians at the spot from Indian point of view in all respects, commercial and political, and disseminate first-hand information thus secured for final action in India.

That in the opinion of this Congress Clause No. 33 with all its six sections pertaining to the deportation of the political offenders in the Order in Council 1920 of the Tanganyika Territory and Clause 4 of Proclamation 7 of 1920 with regard to restriction of undesirable immigrants, do not afford any scope of judicial protection to persons under such suspicion and are undesirable and arbitrary. This Congress therefore urges upon His Majesty's Secretary of State for the Colonies to see to their immediate deletion and amend them in a manner which affords requisite scope for fair judicial trial in a legally constituted Court of Justice.



1860 - Natal

NIL - Transvaal  
S. W. Africa

# Indians in the Dominions

## Historical Survey

The position of Indians in the Dominions and Crown Colonies has been thoroughly set forth in the previous issues of the *REGISTER*. Below is given a summary account of previous history. Like Kenya amongst the Crown Colonies, it is the South African Dominion that has ever proved and is still a great thorn by the side of India. South Africa has sturdily refused to recognise the Indian claim of equal partnership in the Empire. The trouble began in the Transvaal long before the Boer War and before a British Dominion status was given to South Africa. In 1881 there was no Indian in the Transvaal. From 1884 onwards as Indian traders began to migrate from Natal, the Anti-Asiatic feeling became more and more evident. In the beginning, it was the natural antipathy between the white Dutch and the brown Indian tradesman, based more on racial feeling than on jealousy due to trade. The London Convention of 1884 gave the following privileges to the Indians :—

"All persons other than natives, conforming themselves to the laws of the South African Republic :—

(a) will have full liberty, with their families, to enter, travel or reside in any part of the South African Republic ;

(b) will be entitled to hire or possess houses, manufactories, ware houses, shops and premises ;

(c) may carry on their commerce either in person or by any agents whom they may think fit to employ ;

(d) will not be subject, in respect of their persons or property, or in respect of their commerce or industry, to any taxes, whether general or local, other than those which are or may be imposed upon citizens of the said Republic."

A year later, however, a strong agitation was set afoot against the so-called invasion of the Asiatic which resulted in the passing of the first legislative enactment against the Asiatics—Law 3 of 1885. It enacted that "persons belonging to any of the aboriginal races of Asia, including thereunder the so-called coolies, Arabs, Malays and Muhammadan subjects of the Turkish Empire

(a) shall not acquire the rights of citizenship in the South African Republic ;



(b) shall not be owners of landed property in the Republic ;

(c) shall, as far as those who settle in the Republic with the object of trading, *etc.*, are concerned, have to be inscribed in a register to be specially kept for that purpose by the Landdrosts of the respective districts, according to a model to be prescribed by the Government ;

(d) the Government shall have the right to assign to them special streets, wards and locations for habitation."

This is the first black mark in the differential treatment of the Asiatics and it still remains on the statute book to their eternal disgrace. The reason given for such a legislation was that it was intended to secure the White population from the dirty and insanitary mode of living of the Asiatics. No effort was made to discriminate between the traders and his coolies, between the rich and the poor, between the educated and the ignorant, between the high and low—all being included in the one class of inferior beings. Her Majesty's Government always tried to bring this inequity to the notice of the Republican Government, but it could not but yield eventually on the ground of public health. When the war broke out in 1899 a large number of Indians were freely carrying on business in the several towns of the Republic. The number of Indians estimated at this time was about 17,000. The policy of the Crown Colony, after the war, underwent a sudden change for the worse and followed quite a different principle. There was a fresh inflow of Asiatics from all parts of Africa, and now the struggle became henceforward more economic than sanitary. Trade jealousy prompted by the instinct of self-preservation in the minds of the European bred a sort of hatred of the coloured races. Lord Milner, the Colonial Secretary, further endorsed this sentiment and pressed for more stringent legislation. He remarked : "I think that to attempt to place coloured people on an equality with Whites in South Africa is wholly impracticable and that, moreover, it is in principle wrong." The nature of the change of outlook and opinion can very easily be gauged by a resolution passed in 1904 at the White National Convention, which reads thus :—  
Resolutions were passed.—

(1) thanking the Government of the Transvaal Colony for the sympathetic attitude they had taken up in regard to the question of the Asiatic trader ;

(2) affirming the principle that Asiatic Immigration should be prohibited except under restrictive legislation ;

(3) urging the removing into bazars of all Asiatic traders ;  
no further licenses to be issued to Asiatics to trade outside bazars :



(4) affirming the opinion that all Asiatics should be required to reside in bazars or locations appointed by the Government.

Another suggestion of a like nature followed in 1906 when it was proposed that a compulsory registration of all Asiatics should be made and that they should be identified by finger prints. But the legislation was shelved for the time being on account of the near approach of the grant of Responsible Government to Transvaal.

During the first session of the Parliament of Transvaal, ordinances were passed which established an Immigration Department, restricted immigration into the Colony and fixed an educational test which led to the passive resistance movement of Mr. M. K. Gandhi and eventually led to the Gandhi-Smuts agreement of 1914. (*See I. A. R. 1921*). Still all did not go on well and after the Great War the controversy broke out again in 1918, as regards the position of the Asiatics in reference to the holding and trading rights in Transvaal. The Gandhi-Smuts agreement was violated by the Act 37 of 1919, after which the position was as follows :

(1) Indians cannot own fixed property anywhere in the province, either directly or indirectly, *i.e.*, through nominal trustees of limited liability companies, except in such localities as the Government may for sanitary reasons assign to them for purposes of residence.

(2) They can acquire leasehold rights with respect to fixed property.

(3) They can obtain general dealers' licenses to trade anywhere.

That Act while recognising the 'vested' interests of Indian settlers already there, upheld the Transvaal Law 3 of 1885 by which Indians and Asiatics "may not be owners of fixed property." A great agitation arose and Government proposed to appoint a commission "to go into the whole Asiatic question" in the Transvaal. As a result of the Reciprocity resolution accepted by the Imperial Conference in 1918 (*see I. A. R. 1919*) and the pressure of the Indian Secretary of State the Government of India was allowed to send a representative before this commission to put the Indian case. Sir Benjamin Robertson was accordingly sent. The report of this Commission was finally issued in March 1921 and since then the question of repatriation has come to the fore.

**Repatriation**—Sir Benjamin Robertson was deputed by the Govt. of India to South Africa to urge the Indian claim. He suggested repatriation. On this question the report of the Asiatic Inquiry Commission (*see the 1921 Register*) has some very valuable information to give. It says that most of the witnesses examined are emphatic in their denunciation of the Asiatic population on various grounds. In spite of the cessation of immigration they were apprehensive of their eventually dispossessing the White man



throughout the country. The remedy that they suggested was compulsory repatriation. Without expropriation of property and adequate compensation, this was not possible. Fifty millions sterling or more would be necessary for this. But they urged that the step was worth taking. They thought that for patriotic reasons Orange Free State and the Cape Colony would join hands with them and freely give money even though the problem did not affect them. But they saw the futility of the whole thing when they were told that approximately half the Asiatics in Natal and a considerable portion of those in Transvaal were born in South Africa. Others were against this, not on account of the cost, but on account of the injustice. Indians are of opinion that voluntary repatriation is only a stepping-stone to compulsory repatriation and should be strongly objected to. Repatriation was the remedy suggested by Mr. C. F. Andrews, but since then he has found out his mistake and he admits in his recent book, *Indians in South Africa*, that repatriation is no remedy. The Report of the S. A. Commission and the subsequent steps taken are given in the following pages.

#### The Indian Question in Natal

It was some sixty years ago that Indians were for the first time introduced into Natal as indentured laborers. Since Natal from the beginning was a Crown Colony, Indians had many more privileges in it than in Transvaal. They enjoyed the same rights as to ownership of land as Europeans. The same Licensing Laws were applicable to them. This was due to the fact that the presence of Indians in Natal was due to the request of the Natal Government to send indentured laborers from India. Since they could not manage without Indian laborers, even after the five years of indenture they were induced to stay behind as free laborers and sometimes grants of lands were made to them instead of free passage back to India. Thus their families grew in number and the children born to them proved to be energetic, well-educated and intelligent. The Indians who were nearly half the whole population and who increased almost 20 per cent in 15 years, from 1876 to 1891 from 10,336 to 30,355, were very much dissatisfied at the distribution of seats in the Legislative Assembly when Natal got Self-Government. In the wake of these laborers had come many a trader, professional man, merchant and clerk. And it was against this class of Indians that the Anti-Asiatic feeling vented itself. It culminated in the passing of enactments of 1896-97. Mr. Escombe, the Prime Minister, in introducing those bills remarked: "Unless an arrestation was put upon the introduc-



tion of immigrants from India, the whole of the special policy of this country would be disturbed. Having regard to the character of the people who were coming into the country it was easy for the whole of the population of this country to be, as it were, submerged by the new arrivals, entailing a competition which was simply impossible as far as Europeans were concerned, whether in trade or agriculture, on account of the different habits of life."

Many Indians held lands and had farms of their own. They had small and big business concerns and held some very substantial and valuable properties in the midst of the towns. There is a steady tendency for land and property gradually to pass into the hands of Indians. A fresh attempt in 1908 by the Natal Government to limit the issue of licenses to Indians met with a strong rebuff from the Imperial Government.

Recently an attempt made by the Natal Provincial Council to pass two ordinances disabling Indians still further was only frustrated by the veto of the Governor-General. One of the ordinances aimed at depriving Indians of their right to elect in Township Boards. The other affected their right to obtain municipal trading licenses. This last, called the Rural Dealers Licensing Ordinance, was again introduced in 1922 in spite of its being vetoed in 1921. Indians have no parliamentary vote, and by the Township Franchise Ordinance, vetoed like the last in 1921 but passed by the Council in 1922 again at the instance of Mr. Hulett, the leader of the Anti-Indian party, the municipal vote is sought to be denied to them. The anti-Indians are moving heaven and earth to enforce repatriation on Indian settlers and even Govt. agents are going about inducing Indians to get out. Indians are now increasingly being badly treated. They have to travel in back seats in Trams and Railways along with Negroes, however respectable or rich they may be, while the uncleanest Whites occupy the front benches. Even the descendants of the old indentured Indians have to obey the old immigration law which did not permit Indians to go out of their houses after 9 P.M. ! The 'voluntary repatriation' has been so thoroughly canvassed by Govt. agents there that already some Indians have left their home in South Africa for good, but on landing in India they find no Govt. bureau here which was promised by Sir Benjamin Robertson on behalf of the Indian Govt. The position is now this : the Govt. of India helped to supply indentured labour to Natal ; under the pressure of public opinion they sent Sir Benjamin Robertson to settle the Indian question ; Sir Benjamin 'settled' voluntary repatriation and promised that the Govt. of India would look after the repatriated on their arrival in India by



opening labour bureaux in Calcutta, Bombay and Madras ; and these bureaux are not yet in working order.

On the whole, the attitude of the Indians in Natal is to preserve as many of the rights and privileges which they already possess as possible. In Zululand, there is no bar against Asiatics from holding land. But they cannot reside in it, neither can they trade there. In Orange Free State, there is no Indian problem. The problem in the Cape Colony centres round the possible curtailment of their rights, since they have got both the Parliamentary and Municipal franchise. With Europeans they possess the right to own lands and trade. There is however a strong grievance against the Municipalities which are averse to granting licenses to Asiatics.

#### Indians in British Columbia

There are about 4,000 Indians settled in British Columbia who are mostly Sikhs. They are for the most part agricultural labourers ; a few also work in factories and railways. Since 1914, the Canadian Government has firmly decided not to allow any fresh British Indian in the western part of Canada. They have tried to secure this, first, by insisting on a through ticket from any country to Canada and by a continuous journey. Every person seeking entry should possess 200 dollars, and finally no artisan, skilled or unskilled labourer, is allowed to come in. The ground stated for all this is that there is lack of employment in British Columbia. The memorable voyage of the *Komagata Maru* and the sequel to it is a case in point showing how rigid was the spirit of exclusion. The grievance of the settlers in British Columbia is that since they were let in without hindrance as soldiers of the Crown, their wives and children should be allowed to join them which the authorities decline. A few cases are known where this has been done. However, except for the general obstruction to entry into Canada, there is no differential treatment and legislation.

#### Indians in Australia

Australia has been following the policy of shutting its doors on all Asiatics through a Language Test which is as bad as it could be. Indians of high position and standing and Indian students are, however, allowed to enter. These cannot settle there nor can they remain there without permission. The children of a domicile cannot find an entrance. There is a strong tendency "to restrict the rights of the Orientals to exercise trades freely and in other ways to expose them to disabilities." Says James Bryce in his *Modern Democracies* : "There is in Australia an even more general agreement that the continent must be strictly reserved for the White European races,



excluding persons of East Asiatic or South Asiatic or African origin. The watch-word 'a White Australia' is proclaimed by all parties.

### The Colonists' Plea

These Dominions maintain that they have got a right to pass any legislation, being free countries, in order that they may protect their citizens, and rightly or wrongly, they are afraid of too intimate an intercourse with Asiatics. Their opposition is partly based on sanitary and economic objections, but some capital is made out of the ethnic objection too. Such an authority as James Bryce writes on this question in the following manner: "Nevertheless there is another side to the matter. Whoever studies the phenomena that attend the contact of Whites with civilised East Asiatics in Pacific, North America.....perceives that there are other grounds, besides the desire of working men to prevent the competition of cheap Asiatic labour, which may justify the conclusion. The admixture of blood, which is sure ultimately to come wherever races, however different, dwell close together, raises grave questions, not only for White men, but for the world at large. Scientific enquiries have not so far warranted the assumption that a mixed race is necessarily superior to the less advanced of the two races whence it springs. It may be inferior to either, or the gain to the less advanced may be slighter than the loss to the more advanced."

The following are the principal grievances and objections which were raised by witnesses to the South African Commission against Asiatic traders:—

(1) They send their money out of the country instead of spending it where they earn it.

(2) They are a source of danger to the public health owing to their unclean habits, and require constant supervision to make them conform to sanitary and other bye-laws.

(3) They depreciate the value of property in their neighbourhood, as well as of the premises which they occupy.

(4) Their standard of living is inferior to that of Europeans.

(5) Their standard of trading and methods of business are different to those of Europeans in the following respects:

(a) They use inferior buildings as shop premises and pay less rent for them; (b) the owner of the business and his shop assistants all usually reside on the premises; (c) they defraud their creditors by fraudulent insolvency more frequently than Europeans; (d) they pay lower wages to their assistants than



Europeans; (e) they evade the laws regulating hours of trading; (f) they habitually give short weight and adulterated foodstuffs; (g) they thus succeed in underselling European traders.

(6) They carry on business which should be carried on by Europeans and close avenues of employment which should be open to Europeans.

(7) They produce nothing in the Transvaal and do not consume the produce of the country but import their requirements from India.

(8) They form "rings" to keep out European competitors.

(9) Their presence has a bad influence on the natives, who are jealous of the rights and privileges enjoyed by them, as coloured people.

(10) Their religion, language, color, mode of thought, ideals, manner and customs are entirely different to those of Europeans; they cannot be assimilated and their presence is a menace to European supremacy.

(11) They are generally immoral and debauch the natives by inciting them to theft and by readily receiving stolen property.

(12) They become too familiar with Europeans, especially females, in the conduct of their business and thus destroy the respect of the natives for Europeans.

#### The claims of Asiatics

The Indians likewise have a just cause for complaint both against the Colonist and the Mother Country, England. Constant insults hurled at them, the ban of almost untouchability fixed on them, the humiliation and degradation of being a subject race, all these have contributed to inflame their spirit and have made them very bold in their demands. These have been summed up briefly in the Report referred to above. The Commission has mostly repudiated the allegations of the Whites as utterly unfounded.

The first and foremost grievance advanced by Indians in Transvaal is that, though British-born subjects, they are excluded from civic and other rights and privileges which are freely accorded to aliens, who are permitted to own land and enjoy full and unfettered rights of trading anywhere in the Province. Many of these aliens, they allege, are men of the lowest type who have emigrated in the country from the slums of Eastern and South-Eastern Europe. They maintain, therefore, that being British subjects they are entitled to claim at least the same rights as these aliens. They particularly resent the Law 3 of 1885 which is the parent of all restrictive and co-ercionist legislation.



# Report of the South African Asiatic Enquiry Committee

This Commission was appointed to inquire into the provisions of the law affecting :

(a) The acquisition of land and rights affecting land in the Union by the Asiatics and persons of Asiatic descent for trading and other purposes ;

(b) The trading or carrying on of business by such persons generally, or in specified localities ;

And further to report whether it was in the public interest to alter the law in any respect and to make recommendations with respect to any difficulties and grievances which have arisen in regard to matters (a) and (b).

The report of the Commission covers 68 foolscap pages, and reviews the whole question. The extracts given below are from that part of the report which explains the general conclusions of the Commission and gives its views and recommendations.

## Details of Recommendations

197. The fear which General Smuts referred to at the London Conference of 1917, as having formerly obsessed the minds of many of the European inhabitants of the Transvaal, has not been removed by the passing of the Immigrants Regulation Act of 1913. A great many witnesses before the Commission insisted that there is still a large and continual influx of Asiatics into the country, in spite of that Act. Some of their assertions were of a most extravagant character and were generally based on hearsay ; they were probably due to reports spread around the country districts by interested or irresponsible propagandists. But the impression was not confined to witnesses from the smaller town and country districts, whose views might be influenced by the migration of Indian Traders or hawkers from one town to another. Similar apprehensions appeared to be entertained by witnesses from the larger centres ; and even Counsel for the South African League rejected the assurances given upon the subject by the officials of the immigration Department, and expressed his conviction that there have been frequent evasions of the laws restricting immigration.



We are, however, as previously stated, satisfied that there are no substantial grounds for those apprehensions, and that, if there is any leakage at all at the present time into the Transvaal, it is entirely negligible.

We deem it most important that the public mind should be disabused of that obsession, for it undoubtedly lies at the root of a great deal of the alarm about the "Asiatic menace."

#### Ownership of Land

198. The Commission recommend that Law 3 of 1885 (Transvaal) which prohibits the ownership of land by Asiatics, except in certain special places set apart for them, should remain in force.

Sir Benjamin Robertson informed the Commission that neither the Imperial Government nor the Government of India is now prepared to press for the repeal of that Law, although it was asked for at the London Conference of 1918. The difficulty of amending Law 3 of 1885 or the Gold Law of the Transvaal in the present state of public opinion is recognised; especially as it would be a reversal of the decision of Parliament, as expressed in Act No. 37 of 1919, which in our opinion, should also remain in force.

1. If our recommendations as to the establishment of separate areas in every town for Asiatics, both for residential and trading purposes, are carried out, they would have the right to own fixed property in such areas and any substantial hardship entailed by the retention of Law 3 of 1885 would thus be removed.

199. As regards Natal, it has been suggested that no great hardship would be suffered if the rights of Asiatics to acquire land were restricted to the Coast Belt—extending from, say, twenty to thirty miles inland.

It is admitted that while Indians are very successful as agriculturists along the coast belt, where the climate and system of agriculture are best suited to them, they are not adapted to ordinary up-country farming, which comparatively few of them have hitherto attempted; and their exclusion as landowners from the uplands would go a long way towards allaying the strong feeling upon the subject which exists amongst the farming population of the inland districts.

In the circumstances, we would recommend that such a restriction should be provided for by legislation. It must, however, be confined to ownership of land for farming or agricultural purposes, outside of the townships. The chief difficulty would be the getting of land in the coast belt either in freehold or leasehold on reasonable terms.



If such a provision is made, Indian agriculturists who are not in a position to purchase properties should be granted facilities for acquiring long leases of land instead of having to be content with short leases as at present. It has been found that as soon as the Indian holder of a lease on short notice has improved the waste land, the European landlord steps in and drives the Indian further afield by giving him notice to quit.

#### Allocation of Separate Areas.

200. In dealing with the remedies suggested in the Transvaal for the removal of the grievances arising out of Asiatic trading, we have (in paragraphs 120 to 131) fully discussed the question of segregation, and given the outlines of our proposals concerning that vital matter. It is unnecessary to repeat them here, but we would strongly recommend that some system of separate areas, based on the lines of those suggestions, should be introduced both in the Transvaal and Natal.

It is fully recognised that its introduction will not have the effect of ridding European traders of Asiatic competition. That object cannot be attained unless trading by Asiatics is either absolutely prohibited or relegated to locations outside the towns, where it would practically be restricted to dealing with members of their own race. And for reasons before mentioned, we are unable to recommend either of those courses. It is deemed essential that the Asiatic quarter for trading purposes should be located within the town, and with due regard to the situation of existing businesses. But such a scheme will, at any rate, tend to ensure the removal of Asiatics from the immediate vicinity of European traders. And the social grievance arising from contiguity of Asiatic residences with those of Europeans will also be obviated.

In order to avoid any possible suspicion that trade rivalry might in some instances influence the selection of those areas, it would be advisable that their allocation, for both trading and residential purposes, should be entrusted to special boards consisting of three or more members appointed for this purpose by the Administrator of the Province. They might include the Magistrate of the District, the Surveyor-General and other persons, not necessarily local residents, of reliable and independent judgment.

These Boards should, however, act in close consultation with Municipal Authorities, as well as with the leaders of the Asiatic community.

No steps should be taken for the allocation of such separate areas in any town, except upon the special request of the Municipal Council or other local authority.



## Little difficulty in Natal

202. There should be little difficulty in introducing such a system in Natal, at any rate as far as trading is concerned; for in some towns of that Province it has already been adopted to some extent. We gathered from the evidence of the Licensing-Officer of the Pietermaritzburg Municipality and other witnesses that in that city there is a special area, known as the Indian quarter, for which applications for new licences by Indians are granted without any question: whereas they are withheld from localities which are regarded as European districts of the town. In Durban also the policy of the local Licensing Officer has always been to confine Asiatic trading to particular sections of the town as far as possible.

The Commission received very useful evidence upon this point at Maritzburg from Mr. F. A. Hathorn, an old resident, who had evidently given much thought to the question, and had tendered similar evidence in 1885 before the Wragg Commission. He deprecated the action of Natal Municipalities in trying to achieve the impossible by kicking against the law and "endeavouring to discriminate between the Asiatic and the European, with the result that they find themselves to-day no nearer solution than before."

The solution, in his opinion lies in equal justice to all and he strongly advocated that Municipal Corporations should have powers to include in their Bye-laws regulations as to European, Asiatic, Coloured and Native quarters; and particularly for the regulating of trading licences in such quarters.

203. Complaints were laid before the Commission by residents of Malvern, Sydenham and other suburbs of Durban, regarding the large number of small tenements occupied by Indians which are scattered about in the midst of valuable European properties in those localities. They consist generally of unsightly and insanitary hovels occupied by Indians of the lowest type. The dwelling often stands in a small plot of ground on which vegetables are grown. Unfortunately, they are situated beyond the limits of the Durban Municipality; and the sanitary supervision of the locality is in the hands of a District Inspector, in the service of the Government who pays it only periodical visits.

What is evidently urgently needed is the creation of an efficient local authority to deal with the insanitary conditions complained of.

## Alteration of Licensing Laws.

204. In paragraphs 132 to 141 of this Report we have set out in detail those provisions of the respective Licensing Laws of the four provinces of the Union which are relevant to our enquiry.



If the recommendations of the Commission are to be effectually carried out, and some of the legitimate grievances of the Indian community removed, it will be necessary to make material alteration in the Licensing Laws of the Cape Transvaal and Natal Provinces. We have already shown that the Orange Free State Province is not directly concerned in the Asiatic problem; nor can it reasonably be expected that, that Province would readily assent to a radical alteration of its legislative measures, which are said to have given general satisfaction. On the other hand, there can be no doubt that a uniform licence law throughout the Union would be of great advantage. If this cannot be achieved, then as regards the other three provinces, where Asiatic traders are found in considerable numbers, we are of opinion that their respective laws relating to the issue of trade licenses should be assimilated in a comprehensive consolidating Act of Parliament. In as much as the state of licensed premises, and the suitability of certain classes of trade or business to particular localities, fall peculiarly within the province of Municipalities responsible for the sanitary condition and good government of the town, the local authority should likewise be charged with the granting of trading licenses.

205. With that end in view we would recommend as follows:—

(1) The granting of all licences, or of certificates authorising their issue by a Receiver of Revenue, should in the towns and villages be entrusted to the local authorities exercising municipal functions, with the right, however, to delegate their powers to a Committee and (or) a licensing officer against whose decisions an appeal should lie to the delegating body ;

(2) for localities outside the limits of those municipal bodies, to Divisional Councils in the Cape Province ; but in those provinces where no such Councils exist to special licensing officers appointed for the several districts of those provinces by the Administrator ;

(3) renewals of existing licences should be granted as a matter of course, subject to No. 9 thereof ;

(4) the various grounds upon which an application for a new licence to trade can be refused by the licensing body, or officer should be specified in the Act or Ordinance ;

(5) the grounds embodied in the Transvaal Ordinance No. 9 of 1912 might be followed as a basis ; but it should be made clear that the licensing body or officer has the right to refuse such application on any of the following grounds :—

(a) that the premises in respect of which the licence is applied for are not suitable ;

(b) that the class of business proposed to be carried on in them is not suited to the locality applied for ;



(c) that the applicant is not a fit and proper person to hold such a licence or carry on such business ;

(6) the reasons for the refusal of any licence or certificate should be recorded, together with any evidence that may have been given for or against the application ;

(7) there should be no appeal from any decision of such Licensing body or officer on grounds 5 (a) and 5 (b) ; but

(8) on ground 5 (d), referring to objections to the applicant personally, there should be a final appeal from all licensing authorities to a special Appeal Board, consisting of three persons of independent judgment appointed by the Administrator of the Province.

(9) Renewals should be refused by the issuer of licences if he receives notice from the licensing authority that the original certificate for its issue has been cancelled or withdrawn on any of the following grounds :

(a) that the premises have become unsuitable ;

(b) that the business is unsuitable for the locality ;

(c) that the business has been conducted in an improper and unsatisfactory manner ;

(d) that the holder is prohibited immigrant ;

(e) that the holder is no longer bonafide interested in the licence.

(10) Objections to renewals may be lodged with the licensing authority by any member of the public, as well as by the police or health officers ; but before any decision is arrived at, notice of such objections should be given to the licensee-holder, who must be granted an opportunity of submitting evidence to refute them.

(11) Transfer of a licence to another person or to other premises should be granted as a matter of course ; unless the proposed transferee is objected to as not being a fit and proper person to hold the licence or the new premises are considered unsuitable or are situated in a locality for which the particular business is deemed not to be suited.

(12) There should be an appeal to the Appeal Board against decisions under (9) and (10) and that portion of (11) which relates to objections personal to the licensee-holder.

(13) Except with the consent of the licensing authority an applicant for a new licence which has been refused should not be allowed to make another application for a licence for the same premises until the expiration of twelve months from the original application.

(14) In case of the death of the licensee-holder, his widow or the legal representative of his estate, and in the case of his insol-



vency or the assignment of his estate, the trustee or assignee, should be allowed to carry on the business under the same licence, and to renew it, on its expiration, for one year, without obtaining any certificate which may otherwise be required.

(15) Municipal bodies should have the right to prohibit the licence-holder, his servants or any other person from residing in any shop, store or other place of business.

(16) The applicant for a new licence to trade (except hawkers' licences) should, before obtaining the licence, satisfy the Licensing Body or Officer that he can read and write in one or other of the official languages.

#### Reasons for Refusal.

206. Notwithstanding the objections of some of the witnesses representing Municipalities, we are strongly of opinion that Licensing Authorities should be bound to give their reasons for the refusal of a licence on grounds which are personal to the applicant, and that there should be an appeal from their decision to some independent tribunal. That appears to be absolutely necessary, in order to obviate the course adopted by some Municipal Councils of refusing licences to Asiatics on the sole ground of their nationality.

At the same time, we do not recommend that there should be an appeal from a decision on the two other main grounds, relating to the condition of the premises and the suitability of the business to the particular locality; for those are matters regarding which Municipal bodies, as representatives of the public, acting on the advice of their Health Officers and other Officials, would be the best judges.

207. The constitution of the Appeal Board recommended is based on that of the existing board in Natal, which consists of a retired Judge of the Supreme Court, an ex-Attorney-General and an ex-Magistrate.

It has been in existence since 1916 and has given general satisfaction.

It would probably be found sufficient to appoint one such Appeal Board for each province, with its headquarters at the capital, although in the Cape it may be desirable to have a second board at Graham's town for the Eastern districts.

There should be no difficulty in finding for that purpose suitable men of independent character and with judicial experience amongst the retired Magistrates and other Government Officials who are generally found resident at those centres.

The duties of such a board are not likely to be heavy, as the appeals would not be very numerous. The mere fact that a right of appeal exists, coupled with the obligation to give reasons for



their decision, would suffice to ensure caution on the part of Licensing Authorities.

It is, moreover, obvious that, in places where the system of separate trading areas which we have recommended is adopted, the difficulties connected with the administration of the Licensing laws, so far as Asiatics are concerned, will eventually be greatly diminished, if they do not entirely disappear.

#### The Final Decision

208. We do not recommend any further appeal from the decisions of the appeal Boards, which should be regarded as final. But it may be found necessary in Natal to retain the provision in Act No. 22 of 1909, that in cases where the renewal of an existing licence is refused, the appeal shall be taken to the Supreme Court. That provision having been inserted in the Act under a special agreement between the Natal Government and the Government of India, it could presumably not be repealed without the assent of the latter Government. As, however, there would now be an appeal to an independent Board from the decisions of all Licensing authorities in Natal, both within and outside the Municipalities, it is not anticipated that there will be any difficulty in obtaining such assent; especially as the cases in which renewals are refused would be comparatively few in number.

209. The suggested provision, that Municipalities should have the right to prohibit licence-holders or other persons from residing in any place of business is regarded by the Commission as most important. Our inspection of premises occupied by Asiatics at various places convinced us of the absolute necessity for such a provision. It would prevent overcrowding and greatly improve the sanitary conditions of the business places of Asiatics, thus removing some of the most serious grievances urged against them. It would also tend to raise the standard of living of the Asiatic.

210. The recommendation that in future no new licence to trade should be issued, unless the applicant is able to read and write in one of the official languages, would like all other provisions of the Licensing laws apply to Europeans as well as Asiatics, and coloured persons generally. It cannot be regarded as unreasonable that a trader, whatever his nationality, (unless he is merely a hawker or pedlar) should submit to such an elementary education test.

As far as Asiatics are concerned, a large proportion of future applications for New licences would probably be made by South African-born Indians who have received a certain amount of education.



## Minimum Wages

212. In certain centres representations were made that, in order to prevent to some extent the underselling of European traders by Asiatics, a minimum wages for assistants should be enforced and legislation introduced for the purpose. In the course of a lengthy statement submitted to us by the Transvaal British Indian Association, they say, "if the complaint of unfair competition be sincere and thought to be at all deserved, our community is prepared to recommend and conform to legislation regulating the principle of minimum profit and wages on an equitable basis for all ranks of labour."

Apart from other important considerations, compulsion of this kind could be easily evaded if there is a common desire on the part of employees and employers to do so. European witnesses were clearly of opinion that collusion of this nature would be general in the case of Asiatics, particularly owing to the custom prevailing amongst Indian traders of including board and lodging in the remuneration of their employees. Again, any system of minimum wages would leave untouched the large number of small Indian traders who carry on business either alone or with the assistance of their families.

The purpose of the proposal is obviously not to ensure that the Asiatic employee be paid living wages, but that he be paid not less than European assistants. It is a frank call for the protection of the European with his higher standard of living against the Asiatic. The subject bristles with difficulties and opens up questions of high policy ; for, if the proposal be sound in regard to store assistants, there is clearly no reason why it should not be extended to other occupations, where natives and others are either actual or potential competitors with Europeans.

The object of a minimum wages is to ensure that the wage-earners are paid sufficient to enable them to live in decency and reasonable comfort and in circumstances that will make them good citizens. It is not infrequently advocated with a view to preserving certain occupations for Europeans. To fix a minimum wages, with the European standard of living only in view, is in effect to exclude from employment other classes with a lower state of efficiency and earning capacity. Minimum wage scales, to be just to all classes and to give effect to their primary object, should therefore be adjusted with due regard to the economic requirements of each of



these classes and to their earning capacity. A minimum wages based on the needs of the highest types employed must lead either to the unemployment or to the extravagant pay of people not approaching that standard. The considerations run counter to the idea underlying the proposal put forward by the European traders, and sufficiently explain why we refrain from making any recommendation on a subject which has ramifications far beyond the Asiatic question.

### Allegations against Asiatics

217. A great many allegations of a general character were made as to the dishonest habits of Asiatic traders ; they were accused of habitually evading the laws relating to the sale of foodstuffs, giving short weight, and so on : and they were said to be adepts at defrauding their creditors, and contravening the provisions of the Insolvency laws.

No comparative statistics of convictions for any of the above offences were produced in support of those allegations, and there was an extraordinary conflict of evidence upon the question. A great many European witnesses of repute testified to the honesty and fair dealing of Indian traders, and a considerable number of well-known wholesale merchants described them as thoroughly reliable men to deal with. In fact, complaints were made by European retail traders that Asiatics have an advantage over them, in being able to secure better terms from wholesale merchants.

### Statistics regarding insolvency.

The only statistics regarding insolvency were furnished by the Licensing Officer for Natal, which gave particulars of 900 insolvent estates in that province between 1909 and 1919 (612 Europeans and 288 Asiatics), including 56 Europeans and 156 Asiatic storekeepers. He gave the totals of the assets and liabilities in the 900 estates, from which it appeared that the assets, in proportion to the liabilities, were larger in the estates of Asiatics than in those of Europeans.

If the allegations referred to are correct, the only remedy for the grievances arising from such dishonest practices would seem to be greater vigilance on the part of the authorities in prosecuting offenders.

218. There is more substance in the complaint that the presence of an Asiatic depreciates the value of property in his



neighbourhood : although even as to that there was some conflict of evidence amongst European witnesses. But there can be little doubt that as a rule it has that effect ; though probably more in the residential than in the trading areas, owing to the strong prejudice prevailing amongst Europeans in this country against living in the immediate vicinity of any of the coloured races.

But, although we heard of a few Indians of a superior class occupying houses on the Berea at Durban, the evidence shows that the general tendency is for Indians of the same social standing to live in the same quarter. As Mr. Renaud pointed out in his evidence previously quoted, they prefer residing amongst their countrymen of the same class as themselves, instead of amongst Europeans who regard them as helots. And if the arrangements which we have recommended as to allocating attractive residential sites for different classes of Asiatics, and concentrating their trading premises, can be carried out successfully, there should be little cause for such complaints in the future.

#### Prohibited Immigrants.

219. More active steps should be taken to deal with prohibited immigrants who are successful in evading Immigration Officers. At the ports of the Union their detection is comparatively easy ; but they generally land at some Portuguese port on the East Coast, and pass surreptitiously through the Transvaal into the Cape Province and Natal ; although they do not risk remaining in Transvaal territory owing to the system of registration which prevails there.

The question of introducing compulsory registration in the Cape Province was mooted at the sittings of the Commission at Cape Town ; but the Indian community strongly objected to the proposal, unless it were made to apply to all races without discrimination.

In our opinion, however, illicit immigration could be reduced to a minimum, even in Natal and the Cape, without registration of Asiatics, by a stricter and more drastic administration of the Immigration Acts. For that purpose it will be necessary to involve more assistance from the Police and Railway officials, and to increase the staffs of the principal Immigration Officers.

220. In the Transvaal the senior Police Officer in each town is appointed an Immigration Officer ; he receives strict written instructions specifying his duties in connection with Asiatics, and as



opportunities arise an official from the immigration office visits the towns. On these visits the Police officials are instructed as to their functions and powers in connection with prohibited immigrants. The other two Principal Immigration Officers, at Cape Town and Durban, are so pressed with work in connection with European and other immigration at the ports that with their present staffs these special steps cannot be taken.

Sub-section (1), Section eight of Act 22 of 1913 provides that no prohibited immigrant shall be entitled to obtain a licence to carry on any trade or calling in the Union or (as the case may be) in any province wherein his "residence is unlawful or, to acquire therein any interest in land, whether leasehold or freehold, or in any other immovable property."

In the Transvaal measures are taken to obtain from all trade-licensing authorities a copy of every application form made by an Asiatic for a trade licence, and we were informed that the examination of these licence forms provided a very efficient check on illicit immigration.

Similar steps should be taken in Natal and the Cape, and in all of the provinces the Registrar of Deeds should, before passing transfer, ascertain from the Immigration Department whether purchasers of land are prohibited immigrants.

#### **In One Official's Hands**

222. We would recommend that the administration of the Asiatic policy of the Union Government should be placed in the hands of one official under whose charge would come all administrative functions, together with the official records relating to Asiatics. This officer should also be entrusted with the duty of securing full statistics regarding Asiatics in the Union and of the arrivals in and departures from South Africa. Details of all applications for trade licences, and transactions in connection with the purchase of land and property made by Asiatics throughout the Union, should be sent to him in order to ensure the enforcement of the provisions of Section eight of Act 22 of 1913, above set out.

On the other hand, he should keep in close touch with the various sections of the Indian community, see that the laws are applied in a just manner, give a ready ear to any complaints or grievances, and generally safeguard their interests.



223. We would suggest that in order to remove the doubts, as to the effectual prevention of illicit entry into the Union by Asiatics, which are apparently entertained by a considerable section of the public, the various provisions of the Immigrants Regulation Act should be rigidly enforced, and that the discretionary powers conferred upon the Minister by the Act should in future be sparingly used.

In the Transvaal, the evidence and statistics which have been summarised in this report should go far to remove the misconception and allay the ill-founded alarm prevailing amongst some sections of the community regarding the "Asiatic menace."

It seems inconceivable that, in the circumstances mentioned, the few thousands of Asiatics in that Province and their descendants should ever succeed in swamping the European population, as has been so frequently and emphatically asserted.

We find ourselves wholly unable to support the policy of repression which was advocated by some of the witnesses. Indiscriminate segregation of Asiatics in locations and similar restrictive measures would result in eventually reducing them to helotry. Such measures, apart from their injustice and inhumanity, would degrade the Asiatic and react upon the European.

## Recommendations Summarised

225. The following is a summary of the various recommendations which appear throughout this report :—

(1) Law 3 of 1885 (Transvaal), the Gold Law of the Transvaal (Act No. 35 of 1908) and Act No. 37 of 1919 should not be repealed (paragraph 198).

(2) There should be no compulsory repatriation of Asiatics (paragraph 118) ; but,

(3) Voluntary repatriation should be encouraged as outlined in our interim report submitted in May 1920 (paragraph 119).

(4) There should be no compulsory segregation of Asiatics ; but,



(5) A system of voluntary separation should be introduced under which Municipalities should have the right, subject to certain conditions :—

(a) to lay out residential areas for Asiatics ;

(b) to set aside certain streets or portions of the town for Asiatic traders, to which existing license-holders should gradually be attracted.

(6) These areas should be selected and allocated by a board of independent persons in consultation with the Municipal Council and Asiatic community (paragraphs 120 to 131 and 200-201).

(7) In Natal the right of Asiatics to acquire and own land for farming or agricultural purposes, outside townships, should be confined to the coast belt, say, 20 to 30 miles inland (paragraph 199).

(8) Law 3 of 1885 (Transvaal) should remain applicable to the Vryheid, Utrecht and Paulpietersburg districts of Natal (paragraph 178).

(9) The existing laws relating to Asiatics in Zululand and the Tanskeian Territories should remain unaltered (paragraphs 179 and 189).

(10) An uniform "License Law" applicable to all the Provinces of the Union should, if possible, be enacted. If that is impracticable, the laws relating to the issue of Trade License in the Cape Province, the Transvaal and Natal should be assimilated in a comprehensive consolidating Act of Parliament, providing *inter alia* :—

(a) That the granting of all licenses to trade (not being liquor licenses) shall be entrusted to Municipal bodies within the area of their jurisdiction ; outside those areas, to Divisional Councils in the Cape Province, and in the other Provinces to special Licensing Officers appointed by the Administrator.

(b) The grounds upon which an application for the grant of a new license may be refused.

(c) That the reasons for the refusal to grant any license shall be recorded, together with any evidence tendered for or against the application.

(d) That, in the case of the refusal of a license on the ground that the applicant is not a fit and proper person to hold the same or



to carry on the proposed business, there shall be a final appeal to a Special Appeal Board, appointed by the Administrator.

(e) That Municipal bodies shall have the right to prohibit the license-holder, or any other person, from residing in any shop, store or other place of business (paragraphs 204 to 211).

(11) There should be no relaxation in the enforcement of the Immigration Laws, and more active steps should be taken to deal with prohibited immigrants who have evaded the provisions of those laws (paragraphs 219 to 223).

(12) The administration of the Asiatic policy of the Government should be placed in the hands of one official with duties as set out in paragraph 223.

## Mr. Baxter's Reservation

Appended to the report is Mr. Duncan Baxter's reservation. Mr. Baxter says :—

I dissent from the recommendation contained in paragraph 199 of this report, *viz.*, that the right of Asiatics to acquire land in Natal for farming and agricultural purposes should be restricted to the coast belt. It seems to me a retrograde proposal inconsistent with other recommendations in the report which are founded on the idea of voluntary separation and not compulsory. It is also a restriction of the existing rights of ownership, and in the case of ex-indentured Indians and their descendants, a breach of the conditions of recruitment, which I think should be scrupulously adhered to in the interests of good feeling and the sense of fair-play, so necessary in our relations with the Indians in South Africa and the Government of India.

With a policy of attracting Indians to the coast belt by good treatment and security of tenure, I am in agreement. I go further and believe that it would be an act of wisdom on the part of the Government to acquire land in that part of Natal and lease it on



favourable terms to Indians. The climate and agriculture of the coast belt are admittedly those best suited to Indian enterprise, and if such a policy were effectively carried out, it would not only be to the advantage of the Indian cultivators and the consuming public, but it would tend also to relieve the fear of an Indian "invasion" held by European farmers in the uplands of Natal.



# Indians in South Africa

The publication of the report in March 1921 led to further trouble. The anti Asiatic party were in a frenzy as the report clearly stated that their apprehensions regarding the 'Asiatic menace' was very much exaggerated, and because the Committee definitely decided against both compulsory segregation and compulsory repatriation. The case of the Indians however were far from improved ; not one of their numerous galling disabilities were removed, while one was proposed to be added to the already heavy lot, viz. the restriction of the right of Indians to own land for agricultural purposes in Natal to a belt of coast land alone.

The Commissions report was laid before the South African Parliament in March 1921 but for sometime Government did not declare their intention regarding it.

## The Discussion in Parliament

On May 3rd. 1921 the House of Assembly discussed a motion by a Natal Member requesting Government in drafting legislation, as a result of the report of the Asiatic Commission, to consider the advisability of embodying the provisions which (as would appear to be feasible in view of Section 147 of the South Africa Act) would allocate to the Asiatic community separate and urban quarters where they might develop in accordance with their own differing needs and standards of civilisation, due regard being had in such legislation to the interests of the present and future European and Native population of South Africa. The debate lasted all afternoon and eventually adjourned until May 12th. Mr. Marwick, mover, and other Natal Members, emphasised how Indians were ousting Europeans. Mr. Marwick quoted a recent resolution of the Imperial Conference recognising that the function of the Dominion Governments should give them complete control of their own populations. The speakers favoured segregation or repatriation of Indians. Those supporting repatriation were in general in favour of compensation. There was a general desire that prompt action should be taken in the matter. The suggestion that the views of the Indian Govt. should be disregarded was vigorously opposed by Mr. Merriman who pointed out that they were members of the League of Nations, of which India was a partner, and emphasised that they should be careful not to boast as they did in that House about flouting Indian opinion.



Mr. Duncan, Minister of Interior, declared that in view of the seriousness of the far reaching effects of this question, Government were unable to bring in legislation that session. It was a question in which they must look outside South Africa. Those who hurried in the matter made little speed. It was not merely a conflict of races, but a conflict of civilisations. He pointed out how other eastern countries were waking up as India did, and gradually achieving a state of self-Government. He declared that if India were no member of the British Empire, she would be a far greater menace to them. Proceeding, the Minister said that outside Natal the position as regards Indians was not very serious. The numbers of the Indian population in Transvaal were not increasing seriously, if at all, but the position of the white population in Natal was very serious, there being 135,000 Asiatics and 12,000 Europeans. Mr. Duncan deprecated the Natal Members' remarks regarding the Indian Government, declaring that when the Indian Government tried to stop immigration into South Africa, the Natal Government had expressly asked that it should be allowed to continue.

Mr. Duncan added that never had South Africa's wishes in the matter been thwarted either by the Indian or Imperial Governments. Indians had come to Natal for the purposes of the people of Natal and they had never been thrust upon them. Mr. Duncan said that at that juncture it was impossible to go on with legislation, but he hoped to go into the matter during the recess. Members realised that a policy of compulsory repatriation or expulsion was impracticable, but on the question of voluntary repatriation, he felt that Government's policy had been misrepresented. Government's instructions were that a system of voluntary repatriation should be prosecuted as vigorously as possible. With regard to the question of Indians taking gold ornaments, a regulation was being prepared allowing Indians to take all their personal ornaments, so long as the regulation was not used for the purpose of smuggling gold away. Mr. Duncan mentioned that since July, 1920, 1400 Indians had thus left the country. The interests of the country demanded that voluntary repatriation should be prosecuted because after all the expense of sending them away was far less than keeping them there. Referring to the question of segregation, Mr. Duncan said, there was no doubt that the living together in town of Indians and Whites was detrimental to both. He would look into the matter and see if some scheme of separation could not be devised. Of course in a matter of this kind co-operation of Municipalities was essential. One could not expect Indians, many of whom had led decent respectable lives, to go and live in some of the locations provided



in the towns. If places were provided which were attractive to Indians, a great deal could be achieved. Mr. Duncan promised to give all recommendations of the Asiatic Commission his most serious consideration. He was also prepared to accept Mr. Marwick's motion. The question was, were they prepared to give these people a home to live in and were they going to give them land to cultivate? They must make up their minds, if a policy of segregation was decided upon, they were not going to say immediately to Indians that the land was too good for them. Replying to an interjection, Mr. Duncan said that questions regarding Indians in South Africa would be settled by that Parliament alone which was the sole arbiter but perhaps not in the way the interjector wanted. The question was not merely South African; it brought them at once into touch with outside countries.

#### Government Campaign on Repatriation

The campaign of repatriation started by the Europeans soon assumed an intensive from and even Govt. agents were engaged in disseminating the most fantastically glowing account of conditions in India that await the men who were urged to go. The following is an extract from a pamphlet issued by the South African Government in this connection.

1. The Union Government have decided to repatriate any Indians who may desire to return to India. All expenses will be paid by Government for each Indian to his home or destination in India.

2. Every adult Indian will be allowed to take away with him or her, gold or jewellery, or both, up to the value of £25. Every family will be allowed to take up to £50. Any sum of money exceeding these amounts will be sent by draft and will be paid to the owner upon his arrival in India.

3. Every Indian accepting Government's offer and who leaves the country at Government's expense will renounce all rights to re-entry in terms of the Indian Relief Act of 1914.

4. The Indian Government are making arrangements to receive Indians returning to India, and finding them employment. Labour Depots are being opened at Bombay, Calcutta and Madras.

5. Food is plentiful in India; the crops have been very good: brown rice is Rs. 24 per sack of 165 lbs. Brown rice has not been obtainable in South Africa for more than two years.

6. The Government have no desire to induce any Indian to leave his or her present employment, but Indians desiring to return to India can do so by making application to the Repatriation Commissioner. Indians under contracts or indenture must complete their contract of service before leaving South Africa.



This campaign soon became a scandal, for the South African Indian who had acquired a domicile there and was living there permanently as a native of the soil was induced to sell up his home and land and leave all on promise of good prospect awaiting him in India. Thousands of repatriated Indians were thus made homeless and their subsequent life in India, roving from place to place trying to secure employment and not getting the slightest help from the Indian Government, became pitiable in the extreme.

### The Deputation to the Viceroy

The whole position of South African Indians was placed before the Viceroy of India by a strong deputation led by Sir Jamsetjee Jeejeebhoy on the 22nd March 1922. The deputation consisted of members of the Council of State, the Legislative Assembly, the Imperial Indian Citizenship Association, the Transvaal British Indian Association and the Natal Indian Congress. In urging the Govt. of India to make a strong representation to the Union Govt. of South Africa on the question of Indians' rights, the deputationists said :—

#### The Deputation's Statement

As the Government of India has now been empowered to communicate directly with the South African Union Govt., we wish to place before Your Excellency certain facts regarding the present Indian situation in South Africa, which will give you a clear idea of the true state of affairs there, and will enable Your Excellency to represent the case of the Indians in South Africa to the Union Government. In the Cape Province of South Africa, the Indians are with very minor exceptions treated well. They have both the political and the municipal franchise and have also the right to own immoveable property, as well as to acquire land and to reside wherever they desire. The Indian community therefore in the Cape Province is contented and no grievances are brought up against it by Europeans. If the Indians can live in peace and contentment with sister communities in the Cape Province, there is no reason why they cannot live equally in peace and contentment elsewhere. In Natal the situation is not so good ; there was no actual segregation till now, and Indians have the full rights of ownership of immoveable property and of acquisition of land. They enjoy the municipal franchise though no Indian has yet been elected to the Municipal Board. There is, however, no political franchise and as a direct consequence of the political disabilities imposed on Indians, Europeans in Natal have continually attempted to impose a racial restriction on them which the Indians have been helpless to prevent. This discrimination against Indians has become increasingly



aggressive. In the matter of trading licenses and in municipal by-laws racial differentiation has been introduced. In matter of public conveyance also restrictions of a racial character have touched the life of the Indian community at every turn and have thus created distinctions between man and man were no such distinction should exist. The recent Asiatic Enquiry Commission appointed by the South African Union Government puts forth the case of the Indians in a fair manner and finds that the complaints made against them by a section of the European community are not of a substantial character. It is to be regretted, however, that in spite of this finding the Commission made no recommendations for the removal of these obnoxious racial distinctions, and has actually proposed that the existing rights of Indians to acquire agricultural land should be confined to the narrow coast-belt of Natal and that all the highland area should be reserved for Europeans. The Commission also has proposed that what it calls voluntary segregation should be practised in the commercial and residential areas. The Commission's proposals are of a retrograde nature and are calculated to place the Indian community in a position of still further inferiority and degradation. There are also grave grounds for fearing that Indians may soon be deprived of the municipal franchise. The Indians came to Natal by direct invitation and encouragement from the Natal Government. They came under the guarantee of fair treatment and also with the undertaking on the part of the Natal Government to afford them the rights of acquiring land, holding property, etc., as soon as their period of indentured labour was over. It would be no exaggeration to say that Indian labour has largely made Natal what it is to-day—the garden colony of South Africa. Large numbers of Indians have been born in the country and some can trace back their Natal-born ancestors for three and four generations. The proposal to take away the right of acquiring as given under the original contract of indenture is tantamount to a breach of faith, and in our opinion calls for an emphatic protest on the part of Your Excellency's Government.

In Transvaal the Indians are confronted with still greater disabilities as they have neither the political nor municipal franchise, nor have they rights to hold landed property as Act 37 of 1919 put an end to the indirect but openly accepted methods of holding lands, either through forming private companies or by appointing European trustees. The racial discrimination is observed in dealing with applications for municipal trading licences. There is also racial segregation directly embodied in the code of laws and this has been put into practice in certain places by means of what are called Indian



locations. As if such disabilities on Indians in the Transvaal were not serious enough the Asiatic Enquiry Commission has advocated even further restrictions which will make the position of the Indians in the Transvaal area still worse. The Indian community in Transvaal is deeply grateful to Sir Benjamin Robertson who came down as a representative of the Government of India for the patient and arduous work he did in the interests of the Indians. We desire to emphasise the facts mentioned in his Report that it will be only by the repeal of Law 3 of 1885 that the root cause of the present trouble can be really removed. The Indian community in the Transvaal feels that there is no hope of equal treatment for them until the repeal of this Law. We, therefore, desire to urge upon Your Excellency the necessity of making a strong representation to the Union Government of South Africa for the repeal of this law as all subsequent racial enactments are based upon this statute. We desire now to draw Your Excellency's special attention to Act 37 of 1919 as that Act violates the Smuts-Gandhi agreement of 1914 which protected the vested rights of Indians in Transvaal. In 1914 the Indian community possessed the right of acquiring and holding landed property quite openly, though indirectly, in the Transvaal or this right was upheld when it was recently challenged in the Appellate Court of the Union. Under Act 37 of 1919 that right is taken away and the deprivation of that right is rightly construed as a deliberate effort to drive the very small Indian population in the Transvaal out of that province altogether.

In the Orange Free State the Indians have no rights whatsoever. They can live there only as domestic servants and in no other capacity. There are only some 200 Indians in the whole of the Free States and as immigration is strictly prohibited, there are few chances of the population increasing.

In the circumstances it can scarcely be contended that there is any serious risk in granting full rights of citizenship to Indians.

#### Voluntary Repatriation

We deem it necessary to refer here to the acceptance by Government of the recommendations of Sir Benjamin Robertson regarding what is called voluntary repatriation. The Indian community fully understands that Sir Benjamin Robertson's intention was, to relieve the poorer members of the Indian community in South Africa and thus indirectly to help the cause of the other Indians who stayed in that country, but the actual result has not been that which was anticipated ; for this voluntary repatriation has been taken up as a watchword by those who wish to drive Indians out of the country.



In consequence of this agitation the policy of removing from Natal of Indians, whether poor or not, has been encouraged, while no attention has been paid to the task of improving the social conditions and status of the remaining Indians in the country, and an attempt is being made to take away some of their existing rights. It is repugnant to Indian self-respect and manhood to accept repatriation at the expense of forfeiting domiciled rights and the Indians in Natal now feel that they must depend upon themselves for improving their position, and as the first step in that direction they have taken up the responsibility for the proper education of Natal-born Indian children. There is still one further anomaly we should like to bring to Your Excellency's notice. Although the South African Government is now called a Union Government, Indians are not allowed to travel freely from one part of the Union to another, and we desire to enter our strong protest against this inter-provincial segregation.

#### South West Africa

We beg now to refer to the injustice meted out to Indians in the Mandated territory of South West Africa. Prior to annexation, although there was an administrative barrier against Indian entry into this territory, Indians used to go and settle there. Since the annexation of the territories to the Union Government, Indians are debarred from entering that territory under a statute. This arbitrary act on the part of the Union Government is another instance of the spirit underlying the recent anti-Indian legislation in South Africa and we pray to Your Excellency to press upon the Union Government the necessity for altering their present policy.

Our object in coming to-day before Your Excellency is to seek the help of the Government of India in securing a better understanding about Indians in South Africa and a better treatment of them by the Union Government. Indians are prepared to do their duty as citizens of the different Provinces of the Union in which they have made their home. They are prepared to be educated and deserve to have the good things of the world equally with Europeans. They are also prepared to do everything to deserve them by their character and industry ; there is no reason why they should not live in amity with their European fellow subjects and reach the standard of life and comfort which is so dear to Europeans. They have chosen to claim freedom and all the advantages of freedom to which they are entitled as British citizens. They will endeavour to achieve and maintain it at all costs. They are ready to reciprocate every sign of friendship that the European community in South Africa may show them and to live on terms of



peace and goodwill with all men. They are determined to spare no sacrifice on their own part to obtain those fundamental rights of humanity for which the British Empire stands. They are firmly convinced that any other course would be unworthy of them, both as Indians and as loyal and law-abiding subjects of His Britannic Majesty. In this moral struggle we appeal on their behalf to Your Excellency for sympathy, encouragement and support. It is hoped, in conclusion, that the Government of India will do their utmost to urge on the Union Government that they should satisfactorily settle once for all the Indian question in South Africa. It has been a vastly disturbing factor in South Africa and also in the domestic politics of India itself. A correct solution of this problem will make Indians in South Africa and the millions of their fellow-countrymen in India the best friend of the Empire and of every part of it.

*Viceroy's Reply*

In reply the Viceroy made a sympathetic speech and recognised the force of all the points raised by the deputation. The Government of India, he said, was fully cognisant of the difficulties under which Indians have to labour in South Africa, and he assured them of urging their just claims whenever opportunity presented. Beyond expressing these sentiments, however, the Viceroy could not vouchsafe any protection, and the position now remains as it was in June 1922 when the Natal Anti-Indian legislation was on the anvil.



# Indians in the Dominions

The following important account of the status of Indians abroad was contributed by the Rev. C. F. Andrews to the 'Modern Review', May 1922.

The Natal Provincial Congress of the South African Party (commonly called the S. A. P. Congress) at a recent Session considered the Asiatic question. This is the party in power under the leadership of Genl. Smuts and is expected to be more moderate in its anti-Asiatic demands than the Nationalist party under Genl. Hertzog. Yet the speeches made and the resolution passed reveal the general anti-Asiatic feeling in abundance.

General Smuts, after warning the Congress that India had 320 millions and that anything they did or said had a far-reaching influence which might even shake the foundations of the Empire, immediately went on to make the alarming statement, which was telegraphed to India by Reuter, that the "best thing they could do was to induce the Indians in ever-increasing numbers to go back to their own country and to leave South Africa. Let them encourage the 'White' population while watching the Asiatics to dwindle."

Sir Thomas Watt who followed General Smuts representing the Cabinet said that he hoped the Congress would impress upon the Government the need for dealing with the Asiatic question. 'Action was long overdue and it must be directed to strengthening the hands of the 'white man.' Natal must educate public opinion through South Africa. Mr. Patrick Duncan, the Minister of the Interior, another Cabinet representative, stated that South Africa was faced with a problem that was acute, the problem of White versus coloured population. The Europeans were the trustees of the coloured, and they must discharge their responsibilities in such a way as to ensure the destinies of the country as a European civilization.

## S. A. P. Congress.

The resolutions passed at a secret Session run as follows :—

1. That the S. A. P. should make known, as speedily as possible, the policy it proposes to pursue in order to deal fairly, but effectively, with the problem caused by the presence of a large number of Asiatics, especially in the Transvaal and in Natal.

2. That the Natal S. A. P. Congress respectfully requests the Government to give an early opportunity for the discussion of the Asiatic problem in Parliament.



3. That it is essential that legislation should be brought to bear to prevent Asiatics from acquiring further land in Natal.

4. That without disturbing existing rights, legislation should be passed to prohibit further sales, leases or rental of land or buildings to Asiatics, except in reserved areas.

5. That the issue and renewal of general dealers' licenses outside Municipal areas be regulated in the manner contemplated in Natal Draft Ordinance 4 of 1921.

6. That no new trading licenses or transfers shall be granted to Asiatics, except in reserved areas.

7. That no Asiatic or Native shall trade under or assume a European name. That no Asiatic may hold financial interest in any business, land or property, registered in the name of Europeans.

8. That where Asiatics have acquired property and trading rights "not" within reserved areas, they shall be strictly required to conform to the same laws as to sanitation, good order, and housing conditions as apply to Europeans.

9. That the encroachment and unfair competitions of Indians, in land, industries, commerce, labour and spheres of employment, generally suitable to Europeans, has injuriously affected the white races and increasingly menaces the economic standards, the social welfare, and political status of the South African Union.

10. That in skilled trade, commerce, industries and every spheres of employment suitable for Europeans, payment and working conditions shall be by Trade Boards in accordance with white standard.

11. That no differentiation in favour of Asiatics over indigenous natives of equal trade be allowed in any legislation affecting either.

12. That the Ordinance relative to Indian franchise in Natal which was vetoed be re-introduced.

13. The Government be asked to introduce a Bill to apply to Municipal vote such as those contained in Section 12 of Charter of July 8th 1856 and Section 2 of October 8th 1806 (Natal).

14. That the Government draw up a definite statement of their policy, showing what they have done and what they are doing on the Indian question especially regarding the Indian trade, and that Government should make its policy known as widely as possible.

I am afraid that we, in India, can only regard these resolutions (which were thus officially made public after the secret sessions were over) as foreboding an almost unanimous attack on the last existing rights of Indians in Natal and the Transvaal with a view to making them in every sense of the word "on a level with the Kaffir".

Secondly, it needs be remembered, that the whole trend of policy, with regard to the coloured races in South Africa, is in the direction of 'segregation'—that is to say, the old 'ghetto' system of Europe in the Middle ages. The intention is to keep them strictly within 'reserved areas' as far as any rights and privileges are concerned, while at the same time keeping back practically all the best land for the aristocratic 'Whites.'

#### Indian and African in Kenya

A very great effort is being made by the Europeans in Kenya Colony to throw upon the Indians the blame for the recent violent



outbreak of native African indignation on the arrest of Harry Thuku. It is stated in the public newspapers that the Indian leader secretly fomented a native rising. The truth is that the Indians in Kenya to day are between two fires. If they keep aloof from native affairs, the European settlers ask the question—, "What have Indians done for the natives"? If, on the other hand, Indians are friendly and familiar with the African natives, then they are charged with conspiracy and with encouraging native rebellion. Almost every day at Nairobi, I saw Harry Thuku, the young educated Kikuyu native who has been deported. He was a very bright young lad with a pleasant open face. Harry was a great friend of all our Indian leaders who treated him with kindness and courtesy which one would not usually receive from Europeans. He appeared to me to be really in earnest in his desire to help his countrymen, who were suffering, under almost overwhelming disabilities. Their land has been taken from them, except certain tracts which are called 'reserves'; and every effort has been made either by compulsion or by semi-compulsion, to get them out of these reserves themselves for labour on the great European estates. There has been in Kenya, in the past, not only what practically amounted to 'forced labour', but also excessive flogging with a very cruel whip made of rhinoceros-hide, called 'kihoko'.

The idea of the average European settler at present is to keep the African native in an inferior position. The European allows no liberties of any kind. As a consequence, the African native has a deep inveterate fear of him, but not of the Indian. With those Indians who are village-store keepers the African will sit for hours and hours,—and talk. The language is often a curious mixture of dialects, but somehow an understanding is reached, and both parties enjoy conversation.

Every day, as far as my experience goes, Europeans are seeking to make the African native despise the Indian. The Indian is bullied by the European in front of the African native. And what is the most cowardly thing of all, the African native is at times encouraged by the European himself to insult the Indian. I have seen one such sight with my own eyes, and the meanness of it made my blood boil. The best way in which this can be counteracted is for the Indian to be truly kind and considerate, at all times, to the African native, and thus win his respect by sympathy, and kindness. Such respect is far greater and nobler than the respect that is due to fear.

There is one thing that is happening in Kenya every day. The Indian and African are feeling more and more the 'common' wrongs from which they suffer at the hands of the European. The African native understands that, whatever rights the Indian acquires,



the same will inevitably come to himself also. Therefore, he is looking upon the Indian as both his fellow sufferer and also his protagonist in the struggle for human rights.

What appears to me to be needed more than anything else however, at the present time, is that Indians, whose hearths are filled with love of God, should go forth,—as the Budha went forth, as Chaitanya went forth, as Christ went forth, to help and to bless the African natives, serving them with the purest service of love. Until this is accomplished in God's name, the relation between Indian and African will not be made perfect.

#### Exploitation of Indian Labour in Fiji

Mr. Andrews also thinks "it necessary to call attention in India to the fabulous profits which the C. S. R. Co. of Australia have made recently out of sweated Indian labour in Fiji. It will perhaps be remembered how the "Sydney Bulletin" revealed, without any contradiction, the scandalous war profits in sugar made by this Company. It may also be remembered how the C. S. R. Co. resisted to the very last any increase in the wretched wages of the Indentured Indian labourer during the time of the War, although food prices had more than doubled. All that is past history.

But a still more amazing story is told with regard to the profits, "after" the War especially for the year ending March 1921.

The Financial Editor of the 'Sydney Bulletin' remarks: "the year's operations show an increase of liquid surplus of more than one and a third million pounds sterling. It is an almost incredible performance".

It will be remembered how the C. S. R. Co. fought to the very last against giving any rise in Indian wages during the prosperous years, 1920-21. It will be remembered how the Indian labourers continued the strike for five months without violence of any kind, but were beaten in the end. Now, for the first time, we know for certain, from the "Sydney Bulletin" financial statement, that at the very time the C. S. R. Co were fighting the Indian labourers to their knees, right down to sheer starvation, their own coffers were bulging with gold."



The following statement with reference to the position of Indians overseas was issued over the signatures of Mr. H. S. L. Polak and Rev. C. F. Andrews in June 1922.—

The news which has recently come to us both from South and East Africa and also from Fiji is of so serious a character that we venture to appeal through the Press to the people of India to take up the cause of Indians abroad with greater energy and determination in order to save them from impending disaster. A crisis now faces them of unexampled magnitude and it appears to us very largely to depend on the emphatic expressions of public opinion in India whether the Imperial Conference resolution with regard to equal Indian status passed at London in July 1921 is to be made effective or not.

In South Africa the key of the situation is Natal. The bulk of the South African Indian Community is concentrated in that province. Natal actually owes its property to the Indian labourers who were brought in to save it from insolvency. The majority of Indians there are now colonial-born. All fresh Indian immigration has been stopped. In a short time the whole Indian population will be South African by birth. European population, on the other hand, is continually being re-inforced by immigration from England and elsewhere. This constant stream of fresh immigration from Europe (while immigration from India is closed) makes quite certain that the European population in Natal will soon largely outnumber the Indian. In the other provinces of South Africa, the Indian population is negligible, roughly speaking about 21,000 as compared with nearly a million and a half European. Even this disproportion is growing greater at every census because of the rapid increase of Europeans owing to immigration.

Yet in spite of the facts (1) that Indians were invited to come over in the first instance, (2) that they made Natal prosperous, (3) that the majority of them are now South African born, (4) that no further Indians are allowed to enter,—in spite of all these facts the Europeans with louder and louder voices are increasingly demanding either (1) that the Indians should be as far as possible repatriated, or else (2) that those who remain should be segregated and otherwise penalised.

Sir John Lange's Commission acknowledged these facts. Nevertheless, even this report made recommendations, which, if put into practice would have seriously curtailed the very few existing Indian rights. The South African Union Government, however, realising the importance of the issue in the larger world outside South Africa was able to postpone any threatened anti-Indian Legislation, and the "status quo" has so far been with some difficulty maintained. But the Anti-Asiatic party in Natal has now repeatedly



attempted to force the hands of the Union Government. It has captured the Provincial Council and induced it to pass legislation which would deprive Indians of several of the most important rights which they still retain. This has been done in the hope either of compelling by public pressure the assent of the Governor-General-in-Council, or else of obliging the Union Govt., while withholding assent, to pass the desired anti-Asiatic Legislation, on its own account.

But Section 147 of the South African Act of 1909 was passed expressly in order to prevent provincial legislation in Asiatic affairs. For, it was recognised that Provincial narrowness might involve South Africa in a complicated international situation. Section 174 was designed to reserve the entire control from beginning to end of all matters specially or differentially affecting Asiatics to the Governor General in Council, that is to say, the Union Government itself.

What is the legislation which the Natal Provincial Council is trying to force through?

(1) There is an Ordinance to substitute for a licensing office from whom there is a right of appeal upon certain conditions, a licensing Board in rural areas, whose membership will be confined to Europeans. This Board would have final powers of decision in all matters relating to the issue and transfer of licenses, thereby in substance, though not in set terms, depriving Indian traders of their former rights of appeal on questions of law.

(2) There is an Ordinance which would prevent Indians in future from acquiring the municipal or Urban franchise. This would mean a clear breach of an official promise made as long ago as 1896, and the disfranchisement for all time of Indians born and bred in the Province.

(3) There is an Ordinance whose object is to segregate Indians in Durban by making legally impossible for them to buy or occupy municipal land in an area earmarked for the Europeans, or to sell such lands to Europeans in an area earmarked for Indians. This is the first time that compulsory segregation has been attempted in Natal.

All this is avowedly only the beginning of the campaign of the Anti-Asiatic Party. At the last Imperial Conference the hope was expressed that by means of direct negotiations between India and South Africa "some way can be found, as soon as may be, to reach a more satisfactory position." The fact that direct negotiations have now been opened, leads one to presume that it is not the desire of the Union Government to precipitate a rupture with India. But the Indian Government will suffer greatly in making its own position clear to the South African Government, if it has not the united strength of the people of India behind it. We would venture, therefore, to urge that on this question a unity of all thinking



people in India with the Indian Government is essential in order to obtain a successful end to such direct negotiation.

In East Africa we meet a situation which, if anything, is more dangerous even than that in Natal. Kenya is not a self-governing dominion but a Crown Colony. Constitutionally the Administration is nothing more than a Branch of the Colonial Office in London. The Governor is a subordinate taking orders from the Secretary of State for the Colonies. Great Britain is directly responsible.

At the Imperial Conference, Great Britain accepted the Imperial Conference Resolution with regard to equal Indian status. Mr. Winston Churchill was the Chairman of the Special Committee that drafted this resolution. He himself accepted the resolution on behalf of the Colonial Office. What followed is almost inconceivable. Scarcely had the ink of his signature dried upon the paper than the Governor of Kenya was sent back by Mr. Winston Churchill himself with a secret document containing proposals fundamentally opposed to the very resolution of the Imperial Conference which he himself had just signed. If this document had been accepted by Indians in Kenya and had become law, it would have perpetuated the inferiority of Indians to Europeans in almost every particular.

There are four disabilities under which Indians labour in Kenya

(1) They may not acquire or transfer agricultural land in the Highlands. When the Indians protested against this invidious distinction, they were told that the Colonial Office had made a pledge to the Europeans which could not be broken. The so called pledge referred to is that of Lord Elgin in 1908. Lord Elgin's Despatch, however, needs to be read as a whole. The local officials are told to issue the original Crown grants of land "for reasons of administrative convenience" solely to Europeans, but he added that His Majesty's Government would not countenance legislation differentially affecting the Indian population. It will be seen at once that no bar was placed upon the open transfer of the original Crown grants at any future sale to any purchaser who had rights in the country. The Indians had the right of purchase. An act of the Legislature would have been required to take those rights away. But his Majesty's Government had expressly stated that no such racial legislation would be countenanced.

The so-called pledge to Europeans has been amply fulfilled, for we have been told on official authority that practically all the original Crown grants in the highlands have now been made, and Europeans have had them all. But the actual documentary promise to Indians that legal differentiation would not be countenanced by His Majesty's Government has been callously broken. For in 1915



during the war, when the Indian community was helpless under Martial Law, an ordinance of the Legislature was passed empowering the Governor to veto the transfer of land in any part of the then protectorate between persons of different races. This has been exercised against all Indians.

(2) It is part of the declared policy of the Europeans to enforce strict compulsory segregation both residential and commercial.

(3) The European Convention of Associations is endeavouring to deny Indians equal franchise on a common electoral roll.

(4) Finally, in order to make Kenya "a characteristically and distinctively British Colony" (Mr. Churchill's phrase) and in the so called interest of the native, the colonial secretary proposes to prohibit Indian immigration.

In this last clause lies the most urgent peril to the Indian community. If further immigration can be prohibited and if Kenya can be forced to look towards London rather than Bombay, then the European settlers are well aware that they will be able to control permanently the unprotected Indian domiciled residents. Mr. Winston Churchill has openly declared his desire to establish a great administrative unit consisting of Kenya, Uganda, Tanganyika and Zanzibar, and having a common policy.

When we turn to Uganda we find the same anti-Indian influence of the Colonial Office clearly at work in the recent decision about Kampala which enforces racial segregation.

In Fiji, as a recent telegram has announced, the European residents, who form less than one-fifteenth of the population, have openly declared that they are unwilling to accept and are determined to resist the local application of the Imperial Conference resolution regarding equal Indian status. There can be little doubt that this movement of revolt against the resolution will spread further.

We are of the opinion that nothing could be more disastrous in India at the present time than a widespread conviction that the Colonial Office is determined to reduce so vital a document as that embodying the Imperial Conference resolution of July 1921 with regard to equal Indian status to a mere scrap of paper. The time appears to us to have come for the Indian Government itself to declare that there is no possibility of the people of India being willing to remain permanently within the British Commonwealth of Nations except upon the terms of actual and not merely theoretical racial equality. Such a declaration would clear the air. It would show more plainly than anything else to the colonial office in London and to the South African Union Government, that by these perpetual humiliations and disabilities to Indians abroad they are forcing an issue from which they themselves may well recoil.



Proceedings of  
The Central Legislature  
1921







# The Imperial Legislature

The Rules of business of the Indian Councils are given in full in the previous issue of the *Register*. For the purpose of easy reference the powers of the Legislature, as well as the special powers reserved to the Governor-General for the discharge of his responsibilities, which are fully set out in the Act, are reproduced below :—

18. (1) The Council of State shall consist of not more than sixty members nominated or elected in accordance with rules made under the Principal Act, of whom not more than twenty shall be official members.

19. (1) The Legislative Assembly shall consist of members nominated or elected in accordance with rules made under the Principal Act.

(2) The total number of members of the Legislative Assembly shall be one hundred and forty. The number of non-elected members shall be forty, of whom twenty-six shall be official members. The number of elected members shall be one hundred :

Provided that rules made under the Principal Act may provide for increasing the numbers of the Legislative Assembly as fixed by this section, and may vary the proportion which the class of members bear one to another, so, however, that at least five-sevenths of the Legislative Assembly shall be non-official members.

21. (1) Every Council of State shall continue for five years, and every Legislative Assembly for three years, from its first meeting :

Provided that—

(a) either chamber of the legislature may be sooner dissolved by the Governor-General and

(b) any such period may be extended by the Governor-General if in special circumstances he so thinks fit ; and

(c) after the dissolution of either chamber the Governor-General shall appoint a date not more than six months, or with the sanction of the Secretary of State, not more than nine months after the date of dissolution for the next session of that chamber.

22. (1) An official shall not be qualified for election as a member of either chamber of the Indian Legislature, and, if any non-official member of either chamber accepts office in the service of the Crown in India, his seat in that chamber shall become vacant,



(4) Every member of the Governor-General's Executive Council shall be nominated as a member of one chamber of the Indian legislature, and shall have the right of attending in and addressing the other chamber, but shall not be a member of both chambers.

24. (3) If any Bill which has been passed by one chamber is not, within six months after the passage of the Bill by that chamber, passed by the other chamber either without amendments or with such amendments as may be agreed to by the two chambers, the Governor-General may in his discretion refer the matter for decision to a joint sitting of both chambers, provided that standing orders made under this section may provide for meetings of members of both chambers appointed for the purpose, in order to discuss any difference of opinion which has arisen between the two chambers.

(4) Without prejudice to the powers of the Governor-General under section sixty-eight of the principal Act, the Governor-General may, where a Bill has been passed by both chambers of the Indian legislature, return the Bill for reconsideration by either chamber.

(7) Subject to the rules and standing orders affecting the chamber, there shall be freedom of speech in both chambers of the Indian legislature. No person shall be liable to any proceeding in any court by reason of his speech or vote in either chamber, or by reason of any thing contained in any official report of the proceedings of either chamber.

25. INDIAN BUDGET :—(1) The estimated annual expenditure and revenue of the Governor-General in Council shall be laid in the form of a statement before both chambers of the Indian legislature in each year.

(2) No proposal for the appropriation of any revenue or moneys for any purpose shall be made except on the recommendation of the Governor-General.

(3) The proposals of the Governor-General in Council for the appropriation of revenue or moneys relating to the following heads of expenditure shall not be submitted to the vote of the Legislative Assembly, nor shall they be open to discussion by either chamber at the time when the annual statement is under consideration, unless the Governor-General otherwise directs—

- (i) interest and sinking-fund charges on loans ; and
- (ii) expenditure of which the amount is prescribed by or under any law ; and
- (iii) salaries and pensions of persons appointed by or with the approval of His Majesty or by the Secretary of State in Council ; and
- (iv) salaries of chief commissioners and judicial commissioners ;
- (v) expenditure classified by the order of the Governor-General in Council as—



(a) ecclesiastical ; (b) political ; (c) defence.

(4) If any question arises, whether any proposed appropriation of revenue moneys does or does not relate to the above heads, the decision of the Governor General on the question shall be final.

(5) The proposals of the Governor-General in Council for the appropriation of revenue or moneys relating to heads of expenditure not specified in the above heads shall be submitted to the vote of the Legislative Assembly in the form of demands for grants.

(6) The Legislative Assembly may assent or refuse its assent to any demand or may reduce the amount referred to in any demand by a reduction of the whole grant.

(7) The demands as voted by the Legislative Assembly shall be submitted to the Governor-General in Council, who shall, if he declares that he is satisfied that any demand which has been refused by the Legislative Assembly is essential to the discharge of his responsibilities, act as if it had been assented to, notwithstanding the withholding of such assent or the reduction of the amount therein referred to by the Legislative Assembly.

(8) Notwithstanding anything in this section the Governor-General shall have power, in cases of emergency, to authorise such expenditure as may, in his opinion, be necessary for the safety or tranquility of British India or any part thereof.

26. EEMERGENCY POWERS :—(1) Where either chamber of the Indian Legislature refuses leave to introduce or fails to pass in a form recommended by the Governor-General, any Bill, the Governor-General may certify that the passage of the Bill is essential for the safety, tranquility or interests of British India or any part thereof, and thereupon—

(a) if the Bill has already been passed by the other chamber, the Bill shall, on signature by the Governor-General, notwithstanding that it has not been consented to by both chambers, forthwith become an Act of the Indian legislature in the form of the Bill as originally introduced or proposed to be introduced in the Indian Legislature, or (as the case may be) in the form recommended by the Governor-General ; and

(b) if the Bill has not already been so passed, the Bill shall be laid before the other chamber, and, if consented to by that chamber in the form recommended by the Governor-General, shall become an Act as aforesaid on the signification of the Governor-General's assent, or, if not so consented to, shall, on signature by the Governor-General, become an Act as aforesaid.

(2) Every such Act shall be expressed to be made by the Governor-General and shall, as soon as practicable after being made, be laid before both Houses of Parliament, and shall not have effect



until it has received His Majesty's assent and shall not be presented for His Majesty's assent until copies thereof have been laid before each House of Parliament for not less than eight days on which that House has sat; and upon the signification of such assent by His Majesty in Council and the notification thereof by the Governor-General, the Act shall have the same force and effect as an Act passed by the Indian legislature and duly assented to :

Provided that, where in the opinion of the Governor-General a state of emergency exists which justifies such action, the Governor-General may direct that any such Act shall come into operation forthwith, and thereupon the Act shall have such force and effect as aforesaid, subject, however, to disallowance by His Majesty in Council.

27. SUPPLEMENTAL PROVISIONS :—(1) In addition to the measures referred to in sub-section (2) of section sixty-seven of the principal Act, as requiring the previous sanction of the Governor-General, it shall not be lawful without such previous sanction to introduce at any meeting of either chamber of the Indian legislature any measure—

(a) regulating any provincial subject, or any part of a provincial subject, which has not been declared by rules under the principal Act to be subject to legislation by the Indian Legislature ;

(b) repealing or amending any Act of a local Legislature ;

(c) repealing or amending any Act or Ordinance made by the Governor-General.

(2) Where in either chamber of the Indian Legislature any Bill has been introduced or is proposed to be introduced, or any amendment to a Bill is moved, or proposed to be moved, the Governor-General may certify that the Bill or any clause of it, or the amendment affects the safety or tranquility of British India, or any part thereof, and may direct that no proceedings shall be taken by the chamber in relation to the Bill, clause, or amendment, and effect shall be given to such direction.



# The Legislative Assembly

President :—The Hon'ble Sir Alexander Frederic Whyte.

A—ELECTED MEMBERS

Constituency	Name.
Madras City (non-muhammadian urban)	Rao Bahadur Tiruvenkata Rangachariar
Ganjam cum Vizagapatam (non-muhammadian rural).	Mr. Bhupatiraju Venkatapatiraju Garu
Godavari cum Kistna (non-muhd. rural)	„ Ramayya Pantulu Garu-Jayanti.
Salem & Coimbatore cum North Arcot (non-muhammadian rural).	„ Sambanda Mudaliar.
South Arcot cum Chingleput (non-muhammadian rural).	„ M. Krishnaswamy Reddiyar
West Coast & Nilgiris (non-muhd. rural)	„ Kavalappara muppil Nayar Avargal
North Madras (muhammadian)	„ T. Muhd. Hussain Sahib Bahadur
Guntur cum Nellore (non-muhd. rural)	Rao Bahadur P. V. Srinivasa Rao Garu
Madras ceded districts & Chittoor (non-muhammadian rural).	Subramanyayya, Calaga, Sundara
Tanjore cum Tricy. (non-muhd. rural)	Ayyar Rao Bahadur.
Madura and Ramna cum Tinnevely (non-muhammadian rural)	Sir Sivaswami Ayyar
South Madras (muhammadian)	Manamadura Govinda mukundaraja
West Coast and Nilgiris (muhd) ...	Ayyangar Avargal.
Madras [European] ... ..	Mir Asad Ali, Khan Bahadur
do (Landholders) ... ..	Mr. Mahmood Schamnad Sabib Bahadur
do (Indian Commerce) ... ..	„ Eardley Norton
Bombay City [non-muhmd. urban] ...	„ Rama Varma Valia Raja, Chirkkal
do Cent. Division (non-muhd. rural)	„ Narayan Girdhardas
do do do	„ Jamnadas Dwardkadas
do South. Divn. (non-muhd. rural)	„ Balkrisna Sitaram Kamat.
do City (muhammadian urban) ...	„ Keshao Ganesh Bagde
do (European) ... ..	„ Anna Babaji Latthe
do do ... ..	„ Salebhoy Karimji Barodawalla
do North. Divn. (non-muhd. rural)	„ Reginald Arthur Spence
do Cent. Division (muhd. rural) ...	„ Edwin Lessware Price
Sind [non-muhammadian rural] ...	Sardar Romanji Ardesbir Dalal
Sind (muhammadian rural) ... ..	Sardar Gulam Jilani Bijlikhan
do do ... ..	„ Harchandrai Vishindas
The Indian Merchants Chamber and Bureau (Indian Commerce)	„ Alibaksh Mahomed Hussein
Sind (Jagirdars and Zamindars) ...	„ Wali Mahomed Hussainally
The Bombay Millowners' Association (Indian Commerce)	„ Manmohandas Ramji
Chittagong and Rajshahi Divisions (non-muhamman rural)	„ Sahibsing Chandasing Shabani
Burdwan & Calcutta Presidency Divisions (muhammadian rural)	„ Rahimtoola Currimbhoy
Calcutta (non-muhammadian urban) ...	„ J. C. Chaudhuri
Calcutta Suburbs (non-muhd. urban) ...	„ Sayed Muhammad Abdulla
Burdwan Division (non-muhmd. rural)	Sir Deva Prasad Sarbadhikari
Presidency Division (non-muhd. rural)	Babu Jogendra Nath Mukerjee
Dacca Division (non-muhmd rural) ...	Rai Taraprosanna Mukherjee Bahadur
Cal. & Suburbs (muhammadian urban)	Rai Jadu Nath Majumdar Bahadur
	Babu Khitish Chandra Neogy.
	Prince Muhd. Akhram Hussain Bahadur



Constituency.	Name.
Dacca Division (muhammadan rural)	Khan Bahadur Zahiruddin Ahmed
Chittagong Division (muhamd. rural) ...	Mr. Abdul Rahman
Rajshahi Division (muhammadan rural)	" Kabeeruddin Ahmed
Bengal (European) ... ..	" A. D. Pickford
Bengal National Chamber of Commerce	" Nibaran Chandra Sircar
Meerut Division (non-muhd. rural) ...	" Pyare Lal
Meerut Division (muhamd. rural) ...	" Mohammad Yamin Khan
Agra Division " " ...	" Mohammad Faiyaz Khan
U. P. Southern Divisions (muhd. rural)	" S. M. Zahid Ali Subzposh
North-West Punjab (muhammadan) ..	" Ahmad Baksh Khan,
Patna cum Shahabad (non-muhd.) ...	" Sachchidananda Sinha
Bengal (European) ... ..	Sir Frank Carter
Bengal (Landholder) ... ..	Babu Satish Chandra Ghose
Cities of the U. P. (non-muhd. urban)	Munshi Iswar Saran
Agra Division (non-muhmd. rural) ...	Lala Girdhari Dass
Rohilkand & Kumaon Divn. (non-muh rur)	Pandit Radha Kissen Dass
Allahabad & Jbansi Divn. (non-muhd. rur)	Rai Bahadur Bishambhar Nath
Benares Gorakhpur Div. (non-muhd. rur)	Babu Mahadeo Prasad
Lucknow Division (non-muhmd. rural)	Rai Bahadur Sankata Pershad Bajpai
Fyzabad Division (non-muhmd. Rural)	Raja Suraj Baksh Singh
Cities of the U. P. (muhd. urban) ...	Haji Wajih-ud-din
Rohilkhand & Kumaon Divn. muhd. rur.	Syed Nabi Hadi
Lucknow & Fyzabad Div (muhd. rural)	Syed Haider Karrar Jafri
United Provinces (European) ...	Sir Logie Pirie Watson
United Provinces (Landholders) ...	Raja Kushalpal Singh
Ambala Division (non-muhmd.) ...	Rai Bahadur Pt. Jawahar Lal Bhargava
Jullundur Division (non-muhmd.) ...	" " Bakshi Sohan Lal
West Punjab (non-muhammadan) ...	Dr. Nand Lal
East Punjab (muhammadan) ...	Lieut. Nawab M. Ibrahim Ali Khan
East Central Punjab (muhamd.) ...	Chaudhri Shahab-uddin
West Central Punjab (muhamd) ...	Khan Sahib Mir Ikramulla Khan
North Punjab (muhammadan) ...	Choudhuri Ghulam Sarwar
South-West Punjab (muhammadan) ...	Mukhdum Sayed Ranjan Baksh Shah
East Punjab (Sikh) ... ..	Bhai Man Sing
West Punjab (Sikh) ... ..	Sardar Gulab Singh
Punjab (Landholders) ... ..	Bawa Ujagar Singu
Tirhut Division (non-muhammadan) ...	Babu Badyanath Prasad Singh
Do do ... ..	" Adit Prashad Sinha
Orissa Division do ... ..	" Braja Sundar Das
Do do ... ..	Rai Bahadur Nimai Charan Mitter
Gaya cum Monghyr (non-muhmd.) ...	" " Lachmi Prasad Sinha
Bhagalpur, Purnea and the Santhal parganas (non-muhammadan)	" " Nishikanta Sen
Chota Nagpur Division (non-muhmd.)	" " Sarat Chandra Sen
Patna and Chota Nagpur cum Orissa (muhammadan)	Khan Bahadur Saiyid Muhd. Ismail
Bhagalpore Division (muhammadan) ...	Maulvi Miyan Asjad-ul-lah
Tirhut division (muhammadan) ...	Khan Bahadur Sarfaraz Hussain
Bihar and Orissa (Landholders) ...	Raja Sivanandan Prasad Singh
Nagpur division (non-muhammadan)	Dr. H. S. Gour.



Constituency.	Name
C. P. Hindi divn. (non-muhammadan)	Mr. Pyarelal Misra
Do. Do. ...	„ Kunjbihari Lall Agnihotri
Central Provinces (muhammadan) ...	„ Muhammad Ahsan Khan
Central Provinces (Landholders) ...	„ Beohar Raghubir Sinha
Assam (muhammadan) ... ..	„ Amzad Ali
Burma (Non European) ... ..	„ Fadamji Pestonji Ginwala
„ Do. ... ..	„ J. C. Chatterji
„ (European) ... ..	„ Frank McCarthy
Assam Valley (non-muhammadan) ...	Srijut Debi Charan Barua
Surma Valley cum Shillong (non-muhd.)	Rai Bahadur Girish Chandra Nag
Assam (European) ... ..	Lt.-Col. L. Herbert
„ Do. ... ..	Maung Maung Sin
Delhi (General) ... ..	Shaikh Abdul Majid

## B.—NOMINATED MEMBERS 41 (EXCLUDING THE PRESIDENT)

## (a) Official Members 25 (excluding the President)

Government of India ... ..	The Hon'ble Mr. W. M. Hailey
Do ... ..	The Hon'ble Sir T. Holland
Do ... ..	The Hon'ble Dr. Tejbahadur Sapru
Do ... ..	Mr. H. Sharp
Do ... ..	„ C. A. Innes
Do ... ..	„ J. Hullah
Do ... ..	„ S. P. O'Donnel
Do ... ..	„ H. N. Hutchinson
Do ... ..	„ E. Burdon
Do ... ..	Sir Sydney Crookshank
Do ... ..	Col. W. D. Waghorn
Madras ... ..	Rao Bahadur C. Krishnaswami Rao
do ... ..	J. P. Cotelingham
do ... ..	J. F. Bryant
do ... ..	T. V. Seshagiri Ayyar
Bombay ... ..	
do ... ..	
Bengal ... ..	
do ... ..	
United Provinces ... ..	
do ... ..	
The Punjab ... ..	
Bihar and Orissa ... ..	
The Central Provinces ... ..	
Assam ... ..	
Burma ... ..	

## (b) Non-Official Members (15)

Berar representative

Mr. B. Hanumant Rao Jatkar



# The Council of State.

PRESIDENT—Hon'ble Mr. A. P. Muddiman, C.S.I., C.I.E.

Constituency.	Name.
Madras (non-muhammadian) ... ..	Rao Bahadur S. A. Annamalai Chettiyar
do do ... ..	Mr. K. V. Rangaswamy Ayyangar
do do ... ..	„ V. S. Srinivasa Sastri
do do ... ..	Diwan Bahadur V. Ramabhadra Nayudu
do (muhammadian) ... ..	Khan Bahadur Ahmad T. Marakkayar
Bombay (non-muhammadian) ... ..	Mr. Lallubhai Samaldas Mehta.
do do ... ..	„ Phiroze C. Sethna.
do do ... ..	„ Waman Govind Kale.
Bombay Presidency (muhammadian) ... ..	Khan Bahadur Ebrahim Haroon Jaffer.
Sind (muhammadian) ... ..	Mr. Ghulam Mahomed Khan Bhurgri.
Bombay Chamber of Commerce ... ..	„ Arthur Henry Froom.
East Bengal (non-muhammadian) ... ..	Raja Promada Nath Roy.
West Bengal (non-muhammadian) ... ..	Maharaja Sir Mahindra Chandra Nandy
East Bengal (muhammadian) ... ..	Mr. Altaf Ali.
Bengal Chamber of Commerce ... ..	Sir Alexander Robertson Murray
U. P. Central (non-muhammadian) ... ..	Raja Sir Rampal Singh.
U. P. Northern (non-muhammadian) ... ..	Lala Sukhbir Singh.
U. P. Southern (non-muhammadian) ... ..	Raja Moti Chand.
U. P. West (muhammadian) ... ..	Nawab Muhammad Abdul Majid.
Punjab (non-muhammadian) ... ..	Kan Bahadur Lala Ram Saran Das.
Punjab (Sikh) ... ..	Sardar Jogendra Singh.
East Punjab (muhammadian) ... ..	Sir Zulfikar Ali Khan
West Punjab (muhammadian) ... ..	Colonel Sir Umar Hayat Khan.
Bihar & Orissa (non-muhammadian) ... ..	Maharajadhiraja Sir Rameshawara Singh
do do ... ..	Maharaja Bahadur Keshav Prasad Singh
Bihar and Orissa (muhammadian) ... ..	Khan Bahadur Saiyd Zahir-ud-din
Central Provinces (General) ... ..	Sir Manekjee Byramjee Dadabhoy
Assam (non-muhammadian) ... ..	Mr. Malcolm Macgregor Hadow
Burma (Chamber of Commerce) ... ..	„ Edgar Joseph Holberton
Burma (General) ... ..	Maung Po Bye
Government of India ... ..	His Excellency Lord Rawlinson
do ... ..	Sir George Barnes
do ... ..	„ William Vincent
do ... ..	„ Mian Muhammad Shafi
do ... ..	Rao Bahadur B. N. Sarma
do ... ..	Sir John Barry Wood
do ... ..	Major General William Rice Edwards
do ... ..	Mr. Edward Mitchener Cook
do ... ..	„ Denys De Saumarez Bray
do ... ..	„ Henry Moncrieff Smith
do ... ..	„ Atul Chandra Chatterjee
do ... ..	„ Claud Alexander Barron
do ... ..	„ Ernest Sampson Lloyd
Madras ... ..	Raja Govinda Krishna Vachendrakavaru
do ... ..	Mr. Charles Norman Seddon
Bombay ... ..	„ Egbert Laurie Lucas Hammond
Bihar and Orissa ... ..	Khan Bahadur Amin-ul-Islam
Bengal ... ..	Mahamahopadhyaya Dr. G. N. Jha
The United Provinces ... ..	Mr. Ganesh Srikrishna Khapard
(b) Berar representative ... ..	



# The Imperial Legislature 1921

The new Indian Legislature, consisting of the Council of State and the Legislative Assembly, was ceremoniously inaugurated by H. R. H. the Duke of Cannaught in Delhi on February 9th. (*See I. A. R. 1922 Vol I. p. 106*).

Both Houses had held preliminary meetings before that.

On February 3rd the Council of State met to take oath of allegiance and to sign the roll and a panel of 4 chairmen, viz, V. S. Srinivasa Sastri, Sir A. R. Murray, Mr. M. Dadabhoy, and Sir Dinshaw E. Wacha was announced to be nominated by the Viceroy.

The Legislative Assembly also met and by a majority Mr. Sachidananda Sinha was elected the Deputy President.

The same day the Legislative Assembly also met to take oath and sign the roll.

On February 5th the Council met again and the agenda of work settled ; it being announced that the Hon. Sastri's resolution on Repressive Laws was to be taken up on the first day of meeting.

## The Imperial Council of State

### *FIRST MEETING—DELHI—14TH FEBRUARY 1921.*

The Council of State first met on Feb. 14th, at the Assembly Chamber, the Hon. Mr Muddiman presiding. Sir. William Vincent, Mr. Shafi, Mr. Sarma and Dr. Sapru of the Executive Council were present. The president said that in the matter of answering questions the procedure of old Legislative Council would be adopted. About seventy questions having been answered by the Govt. in one hour, the President adjourned answering other questions on the agenda till the next meeting and read H. E. the Viceroy's message directing the Government to present their annual Budget on the 1st March 1921.

The Council then proceeded to official business.

Sir William Vincent introduced a Bill to further amend the Code of Civil Procedure, 1908. It was now proposed to make it permissive, instead of it being compulsory, on the court to release a judgment debtor.



Sir William also introduced a Bill to facilitate the enforcement in British India of the maintenance orders made in other parts of His Majesty's Dominions and Protectorates and *vice versa*.

The Hon. Mr. Sastri's resolution.

Mr. Srinivasa Sastry then moved his resolution for the appointment of a Committee "to examine the Repressive Laws then on the Statute Book and to report whether all or any of them should be repealed, and in cases where repeal is not necessary, whether the law in question should be amended and, if so, how."

This resolution of Mr. Sastri practically asked the Government to adopt the first of the many steps that would be required before the principle of autocracy was in fact extinguished from the Statute Book. It would be impossible that popular liberty, confidently hoped for with the inauguration of the new Council, would ever be achieved if the repressive laws remained in their present form. He said : There is trouble, there is intense unrest. At any moment, the forces of disorder may exhibit themselves in undesirable forms. It is not wrong if the custodians of peace and order feel some hesitation as to the wisdom of striking off all fetters on individual freedom and liberty now in their possession. Still, considering how this unrest derives a great portion of its nourishment from the very existence of these repressive measures, from the denial at various points in life of people of that individual freedom which we regard as essential to full citizenship, considering how much this feeling really gives rise to unrest, I think I shall not be guilty of forcing the pace of reform, if I ask the Government to begin the work of conciliation by striking off some of these fetters. I do not deny that there is much to be said for Mr. Khaparde's amendment, but taking all things together, I am not satisfied that every one of these fetters can be struck off immediately. My conviction is that the Committee procedure is the best way of approaching the problem, if it is instructed to report in good time, so that necessary legislation may be undertaken at the next session. Proceeding, Mr. Sastri divided the repressive laws into three categories : (1) to retain which constituted a political danger ; (2) as highly desirable to repeal sharply, and the last, as those laws to be examined carefully with a view to amendment, if not repeal. In the first category fell the Rowlatt Act, which, he said, could not be tolerated hereafter. The Rowlatt Act was the unblessed mother of a monstrosous brood of evils. Then there were the Deportation Regulations of 1918-27, which were also causes of political dissatisfaction which was gathering strength. I do not think, the speaker affirmed, it is difficult for a great Government, like the



Government of India, to manage to administer the country along peaceful and progressive lines, without being armed with these very old fashioned regulations which constitute the relic of some barbarous age. In the second category *i.e.* laws which it was highly desirable to repeal immediately, Mr. Sastri mentioned the Press Act, an Act which authorises the Government of India to constitute special tribunals. He was sometimes baffled to describe the Press Act, whether as a success or a failure. Presses in India, whether English or Vernacular, were much deterred in the exercise of freedom by the existence of various provisions of the Press Act. That, however was an accident of a policy that the Government was pursuing. A high authority had held that the safeguards provided in the Press Act had not been so carefully provided as to secure complete liberties to the aggrieved parties. In the last category, Mr. Sastri mentioned, are the Seditious Meetings' Act, the Conspiracy Act and the Newspapers Incitement to Offences Act. As one not versed in law, he would be treading on dangerous ground to examine the provisions of these Acts. Here were too many of these laws which were very bad. They could not afford to enter on a career of even partial Responsible Government with these menaces of popular freedom existing on the Statute Book. This was one of the steps which the Council must necessarily take in the great work of conciliation and of placing reforms on a proper basis.

Mr. Sastri then quoted passages from H. R. H. the Duke's speech, which stated that political freedom had often been won by revolution, by tumult and by civil war at the price of peace and public safety, and how rarely had it been a free gift, of one people to another in response to a growing wish for greater liberty *etc.*, and observed that this passage gave Indians hope. Concluding, he said that the passage shows us at one glance the immense scope of the British Constitution within the arms of which it is possible, by methods altogether peaceful and constitutional, to proceed from a condition of political dependence to a condition of absolute equality with Great Britain herself. Often, it has been asked, of political agitators, "are you going to reach the record of humanity except by bloodshed?" That may or may not be. But we, England and India together, have resolved to achieve this unique freedom by entirely peaceful means. Let that be the resolution of each one of us. In proceeding with the work which opens to-day, difficulties must be. Let us together overcome them. Misunderstandings there must be. Let us together clear them up. But revolution and tumult and civil war there need not be. That is non-violent co-operation. (Cheers.) In Non-Co-operation it may begin in non-violence and in professions of non-violence. But through the



imperfections and weakness of materials on which it works, it cannot but end in violence and in bloodshed. (Loud Applause.) We certainly will do what no other people in the world has done and achieve full constitutional liberty within the British Empire by entirely peaceful and constitutional means. (Applause.)

#### The Amendment

Mr. Khaparde moved an amendment that the following laws be repealed :—Regulation 111 of 1818, Indian Criminal Law Amendment Act (Act 14 of 1908), Indian Press Act Act 10 of 1910), Seditious Meetings Act (Act 10 of 1911), and Anarchical and Revolutionary Crimes Act (Act 11 of 1919.) Mr. Khaparde in a humorous speech said that there had been three stages in the political development of India. When the British took over the charge of this vast land, they considered it was not fit to rule itself, and required to be led into the path of self-rule by stages. So, the first period of infancy began with the Act of 1861. Then came the childhood and school-going age which commenced with the Act of 1862. The Minto-Morley Reforms brought them to college life and with the Montagu-Chelmsford Reforms, they were considered adolescent. Now, along all these stages came the preventive and protective measures designed to keep them in order. The Depuration Regulation was a very severe legislation. Then followed the internment provisions which brought in their train checks on free press and platform. All these measures were designed to guide and control during a period of minority. Now, in the words of the Viceroy, for the first time, autocracy was definitely abandoned, and, with this the guardianship, which had all through been observed, should cease, and all previous preventive and protective measures withdrawn outright, without going to the lengthy procedure of appointing a Committee. The Government of India Act sought to create a sense of freedom. But could it be done without removing the fetters that had existed all along? In the words of Mr. Gladstone, if a man abused liberty, he ought to be given more liberty. If he were wrong, let him go completely wrong, so that from his own follies he would learn better. It was time to leave them all alone, and to go their own way and to do their own will. (Loud laughter.)

Sir M. Dadabhoy supported Mr. Sastri and vehemently opposed Mr. Khaparde's amendment which, he said, should be summarily dismissed by the Council.

Mr. Bhurgri disagreed with Sir Dadabhoy's remarks on Mr. Khaparde's motion, and said though his heart went with the amendment, he supported both the main proposition and the amendment.



The Maharaja of Kassimbazar, Sir Umar Hayat Khan, and the Raja of Dighapatia supported Mr. Sastri.

Maharaja S. K. Acharjya Chowdhuri, Nawab Sir Behram Khan and Nawab Abdul Majid also supported Mr. Sastri, the last named advocating caution as very essential in this matter. Raja Ramasarasandas also supported. Lala Sukhbir Singh said that in view of the difficulty of the Government, the appointment of a Committee was a safe step. Mr. Rangaswami Iyengar doubted the advisability of appointment of a Committee in the face of a popular demand for total and immediate repeal of all repressive laws at once. He supported Mr. Khaparde.

#### Sir William Vincent

Sir William Vincent, speaking on Mr. Sastri's resolution, said that there would be no opposition from the Government to this resolution. One of the speakers had twitted the Government with having rejected or not supporting a resolution to the same effect which was moved last year by Mr. Patel. The Government were anxious in the fullest degree to reform these laws, and they recognised too that there had been a change in the administration, and therefore were desirous of allowing both Chambers to exercise their legitimate influence upon the Government. An impression had been sedulously disseminated by certain enemies of the Government and, in his judgment, enemies of welfare of this country, that the reforms were not adequate. The motive of theirs was to promote disaffection to His Majesty's Government and discredit the Reformed Government in India. It would be the desire of the Government of India by their dealings in this Council, to give practical evidence that the statement was not true.

Referring to the resolution, he said that he was glad to learn that there was no evidence to support the charge made by some people that these repressive laws were unreasonably used. It was the Government Officers who knew exactly where the shoe pinched. But, on the other hand, the Government thought the evidence of these officers before a Committee would help the people to know whether these laws had been misapplied. Hence, this Committee which would be an impartial tribunal and contain two-thirds non-official persons of unimpeachable authority and experience, and whose name and judgment would carry the greatest weight and who, the Government thought, would realise not only their responsibility to the Council and public, but also to the Government. I cannot, continued the Home Member, promise that their report would be accepted by the Government, but this, I can say, that their opinion will carry the greatest weight. Nor can I promise that during



the pendency of the Committee's deliberations, the Government will necessarily refrain from using measures which it is in their power to use at present. Most of the Hon. Members are aware of the dangerous situation with which the Government is now faced. The situation is more dangerous now than when these laws were enacted. We have employed these measures sparingly during the last few months. Although I cannot promise that we will not employ them till the committee reports, still I am prepared to say that we will only employ them in the last resort when we are forced to do so. Every member of this Council must be aware that the Government has used its weapons with extreme leniency and moderation. The Extremists may like the use of these laws more freely in order to create difficulties to the Moderate action of the politicians and to enable them to pose as martyrs. (Laughter.) But we have to use these laws sometimes, but not without justice, in order to maintain public peace. With these reservations the Government will accept the formation of a committee. And the Regulations and the Acts which Government intend to improve are : (1) Regulation III of 1818, (2) Regulation XI of 1857, (3) Act XIV of 1908, (4) Act X of 1911, (5) Act IV of 1915, and my own friend, the Act XI of 1919, better known as the Rowlatt Act. (Laughter.) But there is a difference in the position as regards the Press Act, because the Government was already considering the matter. In the other Acts, the local Government's opinion had to be consulted on several points.

Mr. Khaparde's amendment was put and lost.

Mr. Bhurgri also withdrew his amendment about the *personnel* of the committee, after pointing out that the members of the committee should command full confidence of the public if any useful purpose was to be served.

Sir M. B. Dadabhoi withdrew his amendment about the *personnel* of the committee in view of Sir William Vincent's assurance that it would consist of men of real weight.

Sir M. B. Dadabhoi had another amendment which wanted the Committee to report in time to enable legislation being undertaken at the Simla session, but he withdrew it, the Home Member pointing out that a preliminary meeting would be held as soon as possible at which the scope of the enquiry would be ascertained and the Committee would report in May at Simla, but necessary action will be taken by the Government in the September session in Simla.

Mr. Sastri in his reply hoped that the Committee would command the confidence of the country. But he pointed out that in his opening speech, he forgot to mention the Martial law Regula-



tions, and hoped this also would be brought within the scope of the Committee's enquiry. Mr. Sastri's resolution was put to vote and carried, there being no dissentient voice.

#### Distribution of Duke's Speech

Sir Maneckji Dadabhoj moved his resolution that the speeches of H. E. the Viceroy and H. R. H. the Duke, delivered at the inaugural meeting of the Indian Legislature, be freely distributed throughout the country in all the vernaculars. The mover said that it was essential to give publicity to these momentous documents for the reason that they were epoch-making and also because the King had, for the first time, declared that the beginning of Swaraj had been granted to India. Moreover, it was feared that if these speeches were not fully ventilated, the Non-Co operators would misrepresent their contents.

#### Some of the important interpellations are:—

*Sir Dinshaw Wacha* asked: Are the Government aware of what may be the existing ability of the country for the purposes of taxation? If not, do they purpose to consider the expediency of appointing a Committee of selected Members of the Council of State and the Legislative Assembly to investigate the question and report thereon.

*Mr. Cook* answered: There is no doubt that there is in all countries a limit beyond which any additional taxation results in definite injury to the general financial position of the country as a whole. It must, however, always be largely a matter of opinion and to some extent also of practical experience where that limit should be placed, and the Government are not prepared to give any estimate as to the margin which may now exist between the present scale of taxation and India's taxable capacity. Any attempt to give an estimate would necessitate a very careful statistical enquiry by experts, and even then it is doubtful whether the results would command anything like universal assent. In the circumstances, the Government do not think that the Committee as suggested by the Hon. Member would be likely to serve any practical purpose.

#### The Esher Committee

*Sir William Vincent* in the absence of H. E. the Commander-in-Chief, replying to Sir Dinshaw Wacha, stated: The only recommendations of the Esher Committee to which it had been decided as yet to give effect are those relating first to the tightening up of the system of financial control exercised at the army headquarters and in the Royal Indian Marine. The new arrangements are at present on a provisional basis, and their cost



is estimated at 3 lakhs per annum. Secondly, improvements in the system under which the Army and Marine accounts are maintained. The changes are being introduced gradually, and the ultimate extra cost, if any, cannot yet be gauged. Thirdly, re-arrangements of staff duties at any headquarters. No extra cost is involved. Fourthly, assimilation of the training system in India to that in force in the United Kingdom, including the introduction of a system of education for Indian soldiers. Full details of the scheme have not yet been settled. Fifthly, the creation of Territorial Force for India. The cost of this, in the first year, roughly estimated at Rs. 5 lakhs. The ultimate cost cannot be stated at present. It will depend on the success of the scheme. Some of these proposals had already been under the independent consideration of the Government of India before the Committee's report was issued. The reorganisation of the Army in India, in accordance with what is known as the four-command scheme, was supported, but not initiated by the Esher Committee. Effect has been given to this reorganisation on a provisional basis.

#### Indian Troops Outside India

*Sir W. Vincent* replying to the Hon. Mr. M. Bhurgri's question regarding (a) the total number of Indian Troops stationed outside India (b) the places where they are stationed outside (c) the number stationed in each place, (d) the amount of the annual expenditure incurred over them, (e) the amount of such expenditure borne by the Indian Exchequer, (f) the amount borne by the British Exchequer, if any, and (g) the reasons for stationing these troops outside India, said: (a) The number of troops stationed outside India is 105,000; (b) and (c) it is undesirable in the public interests to give the information asked for. The information could not, in any case, be given without the concurrence of H. M.'s Government, at whose disposal these troops are; (d) the information is not available, as practically all the expenditure is that of His Majesty's Government and not that of the Government of India; (e) and (f) no expenditure is borne by the Indian Exchequer on account of the Indian troops serving overseas, except that on account of consulate escorts of the garrisons at the gulf ports and of about 200 officers and men employed with the South Persian rifles. Presumably, the Hon. Member's question does not refer to expenditure of this nature, which is shared with His Majesty's Government under an agreement which has been in force for many years; (g) except in Mesopotamia and Persia, where we are still dealing with the aftermath of the War, these Indian troops are employed on ordinary pre-war garrison duties.



## Provincial Executive Councils

Sir William replied to Mr. Sethna as follows: (a) In their report on the Government of India Bill, the Joint Committee recommend that if an Executive Council contained two Members with service qualifications, neither of whom was by birth an Indian, it should also contain two non-official Indians. (b) A Council of four would have been larger than was required for the Province of Bihar and Orissa. On the other hand, if the composition adopted in the case of the Executive Councils of the United Provinces, the Punjab, the Central Provinces and Assam had been adopted for that of Bihar and Orissa, the result would have been that in a Government, consisting of five members, there would have been only one European official, and it was not considered desirable that the European official element should form so small a proportion of the Government.

Sir William Vincent, replying to Mr. Bhurgri's question regarding the constitution and strength of Provincial Executive Councils, stated that the appointment of Ministers has, no doubt, relieved the Members of the Executive Councils of some of the duties hitherto discharged by them. He said that would, however, refer the Hon. Member to the remarks of the Joint Committee in their report on the Government of India Act Draft Rules referring to their recommendation that if Provincial Councils contained two members with service equal in qualifications, neither of whom was by birth an Indian, it should contain also two non official members. The Joint Committee observed that they recognised that this decision might involve a slightly greater man power in the Government than the present statistics would strictly justify, but that they had little doubt that the increase of work arising out of the new Legislative bodies would be such as to render past experience a doubtful guide as to the volume of business likely to fall upon the Executive, and that in any case they thought it more important that as many Indian gentlemen as possible should obtain experience of the inside Government and that the salaries of a few officials should be economised.



# The Indian Legislative Assembly

*FIRST MEETING—DELHI, 15TH FEBRUARY 1921.*

The Indian Legislative Assembly met in the morning at 11 o'clock with the President, Mr. Whyte. The question list was usually large and contained 260 interpellations. Among the Executive Council Members, Sir William Vincent, Sir Thomas Holland Mr. Hailey and Dr. Sapru were present. The agenda contained the most important resolution regarding the Punjab disturbances, to which there were two amendments by Mr. A. B. Lathe proposing some modifications in the original motion, and the second by Mr. B. H. R. Jatkar proposing the appointment of a Committee of both Chambers to report the nature of the punishment to be inflicted on guilty officers.

**Mr. Jamnadas Dwarkadas** moved the following Resolution on the Punjab Tragedy :—

“ This Assembly recommends to His Excellency the Governor-General in Council (1) to declare the firm resolve of the Government of India to maintain that the connection of India with the British Empire is based on the principle of equal partnership and perfect racial equality,—Indian lives and Indian honour being held as sacred as British lives and honour ; (2) to record his opinion and express regret that the Martial Law Administration in the Panjab in 1919 departed from these principles and was calculated to deeply wound the self-respect of the Indian population by subjecting them to unnecessary hardship and humiliation ; (3) to meet out deterrent punishments to the officers who were found guilty of improper exercise of their powers and to take steps to relieve the Indian revenue of all payments towards pensions, gratuities or compensation allowances to such officers ; (4) to satisfy himself that adequate compensation is awarded to the families of those killed or injured at Jallianwala Bagh or other places on the same scale as the compensation awarded in the case of Europeans who suffered or were killed during the Punjab disturbances.”

In moving the resolution, Mr. Jamnadas said in the course of a long speech that the first part of the resolution demands a definite declaration from the Government of India to the effect that the connection of Great Britain with India was based on the principle of equal partnership and perfect racial equality, Indian lives and Indian honour being held as sacred as British lives and British honor.



That was merely a reiteration of the Queen's Proclamation, which was confirmed by King George. While, in theory, this principle had always been proclaimed in the past, unfortunately, in practice it has not always been observed. As one who believes in the connection of India with Great Britain as being conducive to the growth of prosperity and happiness of India and as being essential for the progress of both and welfare and progress of the world, he emphatically declared it would be fatal to separate India from Great Britain. Those who were spreading the idea of breaking British connection are doing the greatest dis-service to the country. India's ability for full self-revelation and self-expression would come as she grew to the full stature.

To deny equality to Indians on petty grounds of race superiority would be a dis-service both to Great Britain and India, and also to the world. At the same time to spread the idea of breaking the connection among the temporarily discontented people, and to take advantage of the critical political situation created by the anger and resentment justifiably felt by desperate people for the purpose of achieving one's own objects, was not worthy and did not do credit to one who, if he had continued, as in the past, to be a source for the good of the country and the Empire, would have permanently established his claim to greatness. But far more worse was the work of a few who, under the guise of patriotism and staunch Nationalism, to which their past did not bear witness, were engaged in rousing fanaticism and racial hatred, and who, in their utterances had given indication of their intention to resort to violence. This was tantamount to a curse on the people of this country and generations yet unborn. He, therefore, asked the Government to defeat these ends by strengthening the hands of those who wanted British connection. A declaration of the character, he demanded, would achieve the object.

The second clause of the resolution demanded an expression of regret from the Government of India, holding that the principle enunciated in the first clause was departed from during the administration of Martial Law in the Panjab. The adoption of this course would not only bring to the Government the satisfaction of having done the right thing, but would enhance their prestige. Without an assurance of that character, India's faith in British justice would remain shaken. This assurance would also enable the Members of the Council to help the Government in the measures for the protection of public peace in the future.

The third clause demanded a deterrent punishment of the officers found guilty of improper exercise of their powers, because the



Government committed blunder after blunder and let off the real culprits with light penalties. Two Indian subordinates, whose guilt was proved, but who under no stretch of imagination, would have had any hand in guiding the policy, were selected for heavy punishment. Indians did not know that justice had been done, but they knew that they had been wronged.

**The Home Member's Reply.**

Sir William Vincent then, made a long speech explaining the position of the Government in the matter. He said that much about the future political situation depended upon the position taken up by them and the Assembly. In this debate they should see that the morale of the officers was not destroyed and at the same time that the forces of disorder did not receive directly or indirectly any encouragement or accession of strength. He was much relieved to hear the admirable speech of Mr. Jannadas Dwarkadas, because much harm would be done by any ill-advised or thoughtless expressions. The country was in a dangerous state of tension, and he was glad of the opportunity of mitigating ill-feeling that existed among those of the more reasonable frame of mind. In that sense he had welcomed the resolution, but at the same time both sides should be candid. All those who had the welfare of the country at heart would bitterly regret the crimes which were almost unparalleled in India's history. Several cases of murder, arson, loot, attacks on communication, etc., were such as to destroy the structure of the administration. On the other hand, there were over-drastring and severe punishments calculated to humiliate the people which were considered unpardonable. The Government, however, took the same attitude in regard to mob-excesses as they did in regard to the improprieties committed by individual officers. Regarding General Dyer's case the Government stood entirely by the Secretary of State's despatch which clearly expressed the views of His Majesty's Government. The Government of India entirely dissociated themselves from the attitude of certain persons, both in this country and in England, even in Parliament, on this question. They believed that the attitude taken up by certain persons had done more to create bitterness, ill-feeling and deep resentment in the minds of Indians than any other action, since this unfortunate occurrence. The Government also emphatically repudiated the idea that force was used on all occasions in excess of the absolute requirements of the case. The Hon. Members of this Assembly who had studied the drastic measures taken in Ireland could see that they were in many ways much more severe than those taken in India. The Home Member's



point was that drastic action on the officers' part was due to the necessity of having to take quick decisions in circumstances of great difficulty, but it must be admitted that only in a few individual cases canons to which he had referred had been violated. There were many cases of improper conduct by officers—conduct which might be described to be the worst, and for that the Government can now only express their deep regret; for instance, the crawling order, which was at once cancelled; other instances did not come to their notice in time. This expression of regret for acts of individual officers extended also to other actions which were calculated to humiliate Indians. It included also some cases of arrest and long detention of certain persons. Sir William Vincent particularly pointed out the cases of Mr. Manohar Lal and Mr. Gurdial Singh, to whom the Government now expressed their regret. Individual cases were inevitable, but the Government had taken every step to prevent the recurrence of many acts, to which he had referred, as casting a slur on the administration of the Martial Law in the Panjab. A Manual of Instructions, as advised in the Secretary of State's despatch, was being issued and it was hoped that these instructions would in future clear many of the misunderstandings as regards the powers of officers. Referring to questions of punishment, the Home Member pointed out the difficult position with which officers were faced. The Assembly must, therefore, not be vindictive, the Government had been just to officers as well as the public, and there was no question of maintaining prestige or anything of the kind. We have acted justly, continued the Home Member, and I want you to believe that we have attempted to act honestly and to the best of our judgment. We may be wrong but we have done what we believed to be right without regard to prestige or any kind. There are forces of disorder abroad which may at any time require the use of force, but I do not believe that, in the particular cases I have mentioned, you should remember one cardinal factor in dealing with their merits. Proceeding, he instanced the case of Mr. Bosworth-Smith, who ordered the arrest of Lattan Singh, because his son had absconded, and who prohibited the cutting of certain crops. The speaker did not think it could be said that either of these acts were of such a nature as to deprive Mr. Bosworth-Smith of his pension, but the attitude of the Government of India in regard to this matter was that when after the receipt of the Secretary of State's order that he should retire he made an application that he might be allowed to stay on in service for one more year, he was not granted that request, not solely because of his behaviour in the Panjab disorders, but also because his record was not too good, and the Government thought the sooner they got



rid of him the better. Referring to the compensation of those who suffered at the Jallianwalla Bagh, he said the Government would not necessarily admit liability on that account, nor did the Government think that the position in this matter was on the same footing as that of the persons who had the statutory right of compensation. Although the Government could not admit liability, yet they were prepared to make an admission that grants of money to those who had suffered at the Jallianwalla Bagh, or by aeroplanes at Gujranwalla, would be possibly adequate, and to this effect he would ask the Government of the Punjab to treat these people in a much more generous manner than they had done in the past. In conclusion Sir William Vincent said: "I do hope that what I have said would go a long way to finally close the most unhappy episode in the History of British Rule in India."

Mr. A. B. Lathe moved the following ammendment to the main resolution ; (1) That, after the words "this Assembly" and before the word "recommends" the following be inserted:—"while expressing its grateful thanks to His Majesty the King-Emperor and His Government for the assurance given by them through His Royal Highness the Duke of Connaught, that in case of necessity for the adoption of Martial Law measures arising in the future, observance of clear and definite limitations within which those measures must be adopted will be insisted on as zealously in the case of India as in that of England herself"; (2) that clause (1) of the resolution be omitted.

Both these amendments were put to vote and negatived.

Dr. Sapru addressing the Assembly said that a substantial portion of the resolution moved by Mr. Jamnadas was that which called them to vindicate the National honour and self-respect. Personally speaking, he would do anything to secure the recognition of National honour and National self-respect. (Loud Applause.) Mr. Jamnadas wanted the Government to show that the future of the Government in India would be on the same footing as that in the Dominions, *i.e.*, that administration should not be held by force, but this matter was evidently anticipated by the Duke who had replied to this in his inauguration speech.

As regards the mover's demand for an unfeigned expression of regret, where regret was due it would be admitted that that had been given. In expressing their regret the Government to-day had not shown their weaknesses. On the other hand, in Dr. Sapru's opinion, they had strengthened their prestige. Sir William Vincent had forgotten to express regret, in respect of the student community. Dr. Sapru, however, took this opportunity of doing it. Dr. Sapru



was much interested in that class of people, and he said that the Government were not afraid of developing and fostering among the younger generation a true and proper spirit of citizenship. Patriotism had not been and was not going to be penalised. In conclusion, Dr. Sapru said that the spirit shown in to-day's debate was a happy augury. They must not sacrifice the future for the misdeeds of certain officers or citizens in the past and whatever might have been the strength or weakness of this Assembly, he hoped it would prove to be a real and living force in the future and justify expectations raised in reasonable minds. (Applause).

Sir Godfrey Fell, the Army Member also spoke and feelingly put forth the soldiers' view point.

Mr. E Norton appreciated the spirit that had been exhibited by his countrymen in this Chamber, and said that a soldier's view to-day was that it was better to die than to retire like General Dyer. He appealed to the sense of renunciation and generous charity of Indians to forgive and forget, and thus create greater fraternal feelings among themselves and Europeans. Mr. Norton expressed his regret that Sir M. O'Dwyer was allowed to leave India unpunished, and that he was brought back to India as the head of an important Commission.

Mr. Cotelingam said that clause 3 was only a minor matter, and appealed to the mover not to press it.

Mr. B. S. Kamath also urged the mover to withdraw clause 3.

#### Mr. Jamnadas' Reply to Debate

Mr. Jamnadas, replying to the debate, observed that he felt that he must bow to the opinion of the Assembly. Moreover, after hearing Dr. Sapru, Sir William Vincent and Sir Godfrey Fell that, in the matter of infliction of punishment to guilty officers, there had been no consideration of race, he was convinced of the honesty of the Government and accordingly would withdraw the clause.

The motion to delete clause 3 relating to punishment was then carried.

Sir William Vincent winding up the debate, expressed satisfaction at the attitude of the mover in having withdrawn clause 3.

Referring to Mr. Norton's reference to Sir Michael O'Dwyer, the Home Member held that the Government's view regarding Sir M. O'Dwyer was the same as that expressed in their despatch to His Majesty's Government.

The resolution was then put and carried unanimously.

The President next announced the receipt of a message from H. E. the Viceroy, declaring that the Financial Statement would



be presented to the Assembly on the 1st of March, that there would be a general discussion on it on the 7th and 8th of March, and that voting on demands for grants would be held on the 10th, 11th, 14th, 15th and 16th of that month.

He further announced the following panel of Chairmen of the Assembly : Sir Jamshetjee Jeejeebhoy, Sir Logie Watson, of Cawnpore, Dr. Sarbadhikari and Chowdhuri Shahabuddin.

Mr. Hailey then announced that, on Saturday the 19th February, the Government would introduce the following Bills: (1) Bill to amend the Indian Penal Code, (2) Bill to amend the Indian Limitation Act, (3) Bill to amend the Indian Cess Act and (4) Bill to amend the Import and Export of Goods Act. He further informed the Assembly that on that day the Government would take into consideration the Indian Tea Cess Amendment Bill and Sir Thomas Holland's resolution on the International Labour Conference.

Dr. Sapru moved for leave to introduce a Bill to determine the salary of the Deputy President of the Legislative Assembly. He said that the present Bill was merely in pursuance of the provision of the Government of India Act, and proposed to provide to pay Rs. 1,000 per mensem for the period during which the Deputy President was engaged on the work of the Assembly.

Leave was given and the motion was unanimously adopted.



# The Imperial Council of State

*DELHI—16TH. FEBRUARY 1921*

After a few unimportant questions and answers, business on the agenda paper which contained 5 non-official resolutions was proceeded with. The President announced the receipt of a notice from Mr. Khaparde for an adjournment of the House to draw attention of the Govt. to the fact of the closing of shops in the Delhi city on the occasion of the opening of the Indian Legislatures by the Duke, so that steps may be taken to appease popular dissatisfaction of which such signs were a symptom. But as the House refused to discuss the matter, this was dropped.

Lala Sukhbir Sing moved his resolution recommending to every provincial Governments (1) the desirability of having an Aurvedic and Tibbi Medical College in their provinces, (2) taking measures to develop Indian drugs, and (3) appointing Vaidyas and Hakims in every dispensary to treat patients by indigenous methods.

He said that this question had been agitating the public mind for a considerable time, but all previous attempts to secure Government's consent to the improvement of this system had failed owing to solid official opposition in the Councils. The fact was that the Government was so much committed to everything Western that they would not like to encourage indigenous medical system, much less to place it on scientific basis. The resolution was keenly debated; Govt. and European members hotly opposing it, while Messrs Naidu, Sethna, Mehta and Khaparde strongly supported it; Raja Sir Harnam Singh ridiculed the motion. It was finally defeated by 32 to 11 votes.

## **Restrictions on Export of Rice.**

Khan Bahadur Ahmed Thambi Maricair moved that restrictions on export of rice from India to Ceylon and the Straits Settlements be removed forthwith.

Mr. Annamalai Chettiar moved an amendment to the effect that restrictions imposed on the export of rice from South India to the Straits and the Federated Malaya States be relaxed so as to allow of an export of 15,000 tons per quarter.

Govt. opposed the motion and was supported by Sir D. Wacha, Sir M. Dadabhoi and Maharaja Cassimbazar. The motion was withdrawn by Mr. Maricair as, he said, it would be lost if pressed.



## The Legislative Assembly

DELHI—17TH, FEBRUARY 1921

Rai J. N. Majumdar Bahadur at the outset said he had a resolution sixth on the list, but that the five Hon. Members who had precedence of him were willing to let him move his resolution first. The President pointed out that if the Hon. Members chose, after having gained their precedence, to dispense with it in favour of others ; that was not the business of the Chair, but they could only do so by withdrawing their resolutions and thereby depriving themselves of the rights legitimately won in the ballot and incurring the danger of not getting their resolutions discussed at all. The Rai Bahadur thereupon withdrew his request.

Mr. N. M. Samarth moved a resolution "that the Local Governments be given collectively a voice in determining the Military expenditure", and attempted to justify his proposal on the ground of the financial contributions contributed by the Provinces to the Government of India Exchequer. The Finance Member pointed out the practical difficulties of the suggestion and showed that the provincial contributions were also used for the Railway, Geological, Archaeological, Survey and other departments, so that one might ask why should not the Provinces have a voice in the expenditure of every department. The resolution was negatived without a division.

### I. C. S. recruitment

Mr. Wali Mahammad Hasan Ali moved that the number of Indian Civil Service posts listed as open to members of the Provincial Civil Service in each presidency or province be at once raised to one-fourth of the superior Civil Service posts in each presidency or province, or, as an alternative, that directly recruited members of the Provincial Civil Service be immediately merged into the Indian Civil Service before any further steps for recruitment of Indians to the Indian Civil Service in India were taken. The mover said that his resolution simply urged the immediate redemption of a long standing pledge given by the Government. So far, in spite of professed attempts to foster and encourage opportunities for educated Indians, the Government was jealously guarding the entrance of qualified Indians into the higher and better remunerated posts of the State.

Mr. O'Donnell, on behalf of Government, opposed the motion and trotted out the plea that the Provincial Service was entrusted only with minor charges of civil administration, while the members of the superior service, though employed in civil



affairs for a little time of training, were ultimately designed for higher executive posts which could not generally be entrusted to the Provincial Service men. After some discussion in which Bhai Man Singh and Messrs. Jawaharlal Bhargava, G. C. Nag, Ch. Majid Hossain took part supporting the motion and Govt. members opposed it, the resolution was passed by 69 to 32 votes after an amendment of the mover withdrawing the latter half of his motion.

#### The Esher Committee Report

Sir Sivaswami Iyer moved the following resolution :

"This Assembly recommends to the Governor-General-in-Council that he do represent to the Home Government that, the proposals of the Esher Committee contained in parts one and two of their Report, should not be acted upon, and that, on the other hand, the Army in India should be entirely under the control, real as well as nominal, of the Government of India and should be free from any domination or interference by the War Office on military matters or military policy, organisation or administration, and that such co-ordination, as may be desirable between the military policies or organisations of different parts of the Empire, should be secured by a discussion and agreement at the Conferences at which India is adequately represented."

He said that there were apprehensions not merely as to the exact merit and significance of the Esher Committee's proposals, but as to their significance on military and financial burdens which they involved. It looked as if the Committee had been dominated by the Imperial aspect of the question, and had completely overlooked the existing Statutes as regards Imperial defence. On page four of the Report the Committee stated that the recommendations proposed must be consistent with (1) control by the Government of India of the Indian military affairs, (2) giving to the Government of India a voice in questions of Imperial defence, and (3) allowing the Imperial General Staff, through its Chief, to exercise considerable influence on the military policy of the Government of India. The third proposition was one to which Indians could not subscribe. Even as regards the first two principles, it seemed to the speaker that they were more a question of lip homage than the actual observance of those principles, because there was hardly any trace of the first principle in the report, and in his opinion the control proposed to the Government of India was of a very shadowy character.

As for the second principle, the mover quoted clauses (2) and (3) of the Government of India Act, as also Sections 21 and 22 of



the same, and pointed out that the control which vested in the Secretary of State as the mouthpiece of the Indian Government in Parliament could not be relaxed. But what the Committee complained of was that the existing control of the Secretary of State was embarrassing, and that there should be a devolution of power, so that there might be no interference by the Secretary of State. That, however, was a departure from the established constitution.

Referring to the recommendations of the Report, Sir Sivaswami Iyer touched upon the proposed freedom from the Secretary of State on the ground that there was undue delay in regard to pay and pensions, and said that delays were inevitable in any system. But by the proposal the Government of India were precluded from offering their advice. He said that the latitude, which the Committee wanted, was not to the advantage of the Government of India, but to that of the War office.

As regards the proposed change of military responsibility from the Government of India to the War Office, he pointed out that the Commander-in-Chief was to be appointed on the recommendation of the Chief of the General Staff, and he, therefore, would be inclined to pitchfork the person to whom he felt gratitude. The present position was not found to be wrong, and yet why a change was proposed in this connection he could not understand. The committee's whole object was to bring larger and larger influence and direction to exercise on the military authorities directly by the Chief of the Imperial General Staff. Between the Secretary of State and the Imperial General Staff there would be a Secretary who would be Deputy to the Chief of the Staff. Thus the influence of the Chief of the General Staff was extended to be exercised on matters of organisation, training, equipment, etc. The proper way to secure co-ordination must be something different from that of making the War Office in England to close its tentacles over the military department in India.

Sir Godfrey Fell, replying on behalf of Government, expressed willingness to accept the resolution, provided it omitted the reference to representation to the Home Government that the proposals of the Esher Com. contained in parts I and II be not acted upon. He repudiated the popular belief that that Report wanted the Army in India to be subordinated to the interests of the War Office in England, though he had to concede that parts of the report were capable of bearing that interpretation. The underlying principle of the Report was, however, co-ordination of the forces of the Empire and to secure Military efficiency. Concluding a long and forcible speech, the Army Secretary said he would accept the following amended resolution :—



*The Resolution as whittled down.*

"That this Assembly recommends to the Governor-General-in-Council that the Army in India should be entirely under control, real as well as nominal, of the Government of India and be free from domination or interference by the War Office on matters of military policy, organisation of administration, and that such co-ordination as may be desirable between military policies or organisations of different parts of the Empire, should be secured by discussion and agreement at the Conferences at which India is adequately represented."

Ch. Sahabuddin and Munshi Iswari Saran strongly supported the original motion and objected to its whittling down as proposed by the Government member by omitting all reference to the Esher Report altogether. The mover, however, meekly accepted the Government amendment and the resolution thus whittled down was accepted.

*Passenger Superintendents*

Rao Bahadur T. Rangachari moved that instructions be issued to the managers of different railways to employ responsible passenger Superintendents at junction stations and also travelling passenger Superintendents for all trains whose sole duty should be to look after the comfort and convenience of third-class passengers. He quoted statistics from the last official report of the working of railways to show that the major portion of revenues came from the third class passengers, whose convenience and comfort were not being looked after. The motion had the full sympathy of the House and though Govt. pressed for an amendment, was unanimously carried.

*The Legislative Assembly**DELHI—19TH FEBRUARY 1921*

On February 19th the agenda contained five Government Bills and seven Government resolutions on the subject of the ratification of the Convention of the International Labour Conference.

*Interpellations*

At question time, Mr. Sharp, replying to Mr. Neogy's interpellation on the subject of correspondence by despatch between the Secretary of State and the Government of India regarding the Calcutta University Commission, said that the Government were not prepared to give any information on that point.

Replying to a supplementary question by Mr. Jamnadas Dwarakadas, Mr. O'Donnell said that the Government were not prepared to give details of the correspondence between the local Government



and the Government of India on the subject of increased strength of Provincial Executive Councils.

Mr. Hailey, replying to Mr. K. C. Neogy, said that the recommendations of the Joint Parliamentary Committee, regarding special consideration to Bengal, due to its peculiar financial difficulties, was couched in such terms that the Government had not been able to exactly understand their desire. They have, therefore, addressed the Secretary of State to obtain a clear designation of the Committee's recommendation.

The same member asked whether public interest or the service had influenced the Government in the appointment of Executive Councillors in the Provinces of Bombay, Madras, Bengal, Bihar and Orissa.

Mr. O. Donnell said ; Public interest. The strength of the Executive Council in the provinces of the Panjab, the United Provinces, the Central Provinces and Assam has been fixed at two members, which is in accordance with the recommendations of the Joint Committee on Clause (5) of the Government of India Bill and is the minimum necessary for the discharge of the duties devolving on the Councils.

Replying to certain allegations contained in Mr. Muhammad Fayaz Khan's question regarding Sir Hamilton Grant's objectionable behaviour towards some respectable Indians, Dr. Sapru said that the allegations were not true, and that Sir Hamilton's administration had been appreciated by the Muslims themselves. The action against Amirchand and others was designed to stop undue excitement at the Frontier. The same member, in replying to another question, was informed that the Hon. Messrs B. N. Sarma, and V. S. Srinivasa Sastri, Dr. Mullick and Mr. K. C. Roy were the Indian non-official witnesses examined by the Esher Committee.

Mr. T. Rangachariar raised a point of order that a copy of the documents referred to in reply to any question be placed on the table.

The President ruled that in future this should be so, and Mr. O'Donnell, on behalf of the Government, accepted the ruling.

Mr. S. P. O'Donnell, replying to Mr. Sambanda Mudaliar's question regarding the recruitment of District Medical and Sanitary Officers, said : (a) It is presumed that the question relates to the employment of Indian Medical Service Officers as Civil Surgeons. The Indian Medical Service Officers so employed have hitherto constituted the war reserve of the Indian Army. The Public Services Commission found that the system was economical and satisfactory, and the extent to which their employment will be necessary in the future under Rule 12 of the Devolution Rules is



at present under consideration and will depend upon the orders which may be passed by the Secretary of State upon the recommendations of the Government of India regarding the reorganisation of the Indian Medical Service and the organisation of properly constituted Provincial Civil Medical Service. (b) Except in so far as they may be required to employ Indian Medical Service Officers under the rule referred to, the recruitment of their medical services will be regulated by local Governments themselves.

#### **Bills Introduced and Passed**

Sir Thomas Holland moved that the Indian Tea Cess Act 1903 Amendment Bill be taken into consideration. The Bill was passed.

Mr. O'Donnell introduced a Bill further to amend the Indian Penal Code, 1860, and also a Bill to amend the Indian Limitation Act, 1908.

Mr. Hullah introduced Bill to amend the Indigo Cess Act, 1918.

Mr. C. A. Innes introduced the import and Export of Goods Act of 1916 Amendment Bill.

#### **Labour Problems—The Hours of Work**

**Sir Thomas Holland** moved :

That this Assembly recommends to the Governor-General-in-Council (a) that he should ratify the draft convention limiting the hours of work in industrial undertakings adopted by the general Conference of the International Labour Organisation of the League of Nations convened at Washington on the 29th of October 1919; (b) that steps should be taken to introduce in the Indian Legislature the legislation necessary to give effect to this convention as applied to British India by Article 10 thereof.

Sir Thomas Holland, in a reasoned speech, which was well received by the House, said that the international labour organisation was the first fruit of the Peace Treaty with Germany and Austria, and it was conceived as essential the maintenance of international peace and for the purpose of better commercial and industrial relation between the Allies. It was with this object that the first conference was held at Washington. The speaker paid a tribute to Indian delegates, especially Sir Alexander Murray's broad sympathies with the employed and Mr. Joshi's advocacy of labourers' cause. According to the constitution of the conference, each Member was to get the convention ratified by its highest legislative body within one year, or at the latest within 18 months, beginning from January, 1920. The Indian Government waited for the inauguration of this Assembly, and although their period was over, they had obtained six months' grace. The Assembly should have cause to be proud of the privilege of having to ratify at its first session the earliest measures of the League of Nations in the cause of humanity. The speaker reminded the House of their peculiar position in not under-



standing the difficulties of labour as few of them were Labourites. The interests of certain members of the House might conflict with those of labourers, but other members of the League expected them to show that India was not unprogressive in the cause of justice and generosity. For the same reason the Government also had undertaken to amend the Indian Companies Act. The convention proposed to fix a sixty hour week, that is, ten hours a day, and labourers all over India had already demanded its ratification. The Millowners Association and other bodies had shown their inclination to fall in line with this convention, and certain industries had already introduced a 60 hour limit in anticipation of the result of to-day's debate. He believed that it would not be fair at this stage to both employers and workers to further reduce the working hours, which step could not bring any reliefs even to workers, as long as his domestic conveniences such as housing problem and primary education for children were not taken up. Moreover, the adoption of this convention would not limit the powers of the Assembly to go further with regard to the limit of the week and day, and would, at the same time, satisfy the International Labour Conference for the time being.

Mr. N. M. Joshi supported Sir Thomas Holland's resolution. Although he was not fully satisfied with the convention when at Washington, he personally urged three points. Firstly, that, while fixing the limit of a sixty-hour week, the convention should have also fixed the daily hour limit to ten, so that some employers might not resort to twelve hours' work for five days; secondly, that in the case of women the limit of hours be 54, and thirdly, that the convention should have covered even those small factories that were not covered by the Indian Companies Act. He knew of the shortcomings of the convention, but when he requested the Assembly to support the motion, it was on the ground that this convention secured for workers in India a certain minimum and left the Assembly free to try to secure a further reduction by National efforts. He did not believe that even the reduction of the working hour to 48 hours would bring loss to industries. His ground was that industries should not thrive at the sacrifice of India's manhood. It was, unfortunately, true that, due to great expansion from twelve hours work, labourers got addicted to bad habits of drink.

Mr. Mazumdar moved an amendment for a Committee of the House to consider the draft convention before final ratification. He said that the question was very complicated and a Committee should thoroughly examine the convention, especially in view of the fact that Indian delegates did not represent the Assembly.

Mr. Joshi opposed the amendment, and said that the consti-



tution of Lahore Conference provided representation of the Government, the employers and the labourers, and these three interests were represented. There could be no question about the representation of this Assembly.

Sir Thomas Holland, speaking on the amendment, said that the Assembly came into existence after the Lahore Conference. (Laughter.) He did not see any useful purpose could be served by any Committee, unless it toured from place to place to collect evidence. He repudiated the charge that full opportunity had not been given for the discussion of the subject. For the last one year the matter was before the public; and it had been discussed in the press and on the platform by employers and workers, in the Chambers of Commerce and in the local Councils. It would be unbusinesslike to postpone this matter, especially when any postponement would not only be unfair to hundreds of thousands of workers awaiting the result of this debate and to employers, but it would also place the Government in a false position if it could not secure ratification within six months of grace and would place India in the eyes of the world as an industrially backward country. They must adjust the machinery slowly and by stages. They could afterwards secure modification of the limitation.

The amendment was, thereupon, put to vote and lost, and the original motion was carried.

**Sir Thomas Holland** moved the following resolutions together :

*This Assembly recommends to the Governor-General-in-Council (a) that he should ratify the draft convention concerning unemployment adopted by the general conference of the International Labour Organisation of the League of Nations convened at Washington on the 29th October, 1919; (b) that he should, after such investigation regarding unemployment in India as he may think fit, take steps to create regular public employment agencies in so far as the same may be necessary to facilitate the migration of labour; and (c) that such agencies, when created, should be provided with Advisory Boards representative of employers and workmen.*

*\* This Assembly recommends to the Governor-General-in-Council that he should examine the recommendation concerning unemployment adopted by the general conference of the International Labour Organisation of the League of Nations convened at Washington on the 29th October, 1919, in order to determine as to what extent it is desirable to give effect thereto.*

The mover quoted in extenso extracts relating both to the question of convention and that of unemployment and referred to the Secretary of State's despatch regarding the latter, which pointed out difficulties of the solution, especially in such a large country as India. Proceeding, Sir Thomas Holland informed that the Government had just established a Commission on emigration which would sit in summer and report to the Labour Conference in October next.



The whole question of reciprocity of treatment to workers would be discussed by this Commission. Sir Thomas Holland said that he himself had the greatest sympathy with regard to the question of treatment of Indian labours in foreign countries. The Government were perfectly conscious of the fact that Indian labourers in foreign countries, and for the matter of that in other parts of the British Empire, had sometimes been treated in a way which was not in accordance with the general principles laid down in the Peace Treaty, and that was a matter which the Government would not keep lying down. But what was now wanted was whether the Assembly would declare their intention of carrying out the Washington Convention's recommendations.

Mr. T. Rangachariar of Madras pointed out that most of labour was required for agriculture, which formed the backbone of this country. In South India, there was dearth of labour, and landlords had to pay four times of what they had formerly used to. There were also considerable difficulties as regards the question of emigration. Moreover, conditions of labour in India were different from those in other countries. He, therefore, objected to the first part of the resolution in that it implied an unconditional acceptance of the terms, especially as the Government of India in their despatch had themselves indicated that they were not determined to accept this unconditional ratification, the whole question should be examined, and although the speaker was not enamoured of Committees, he urged some sort of enquiry into the whole matter.

Mr. N. M. Joshi supported both the resolutions moved by Sir Thomas Holland, and said that if there was dearth of labour in villages and if labourers had gone to cities, it was because landlords did not offer them sufficient remuneration as to induce them to stay at home. There were at present many private agencies which sent labourers to plantations and foreign countries and the Government must step in to bring them under proper regulations. In conclusion, Mr. Joshi asked whether the conventions had applied to Indian States.

Mr. Seshagiri Iyer pointed out that Mr. Rangachariar was unnecessarily apprehensive of the resolutions moved by Sir Thomas Holland who observed that the resolution did not involve any legislation. Indian States were not represented at the Washington Conference, and if they had been, it would have been something like a mass meeting. Under rules, British India was not permitted to discuss for Indian States. Sir Thomas Holland did not think that Indian States realised the importance of the fair treatment of labour as well as they did in British India.



Both resolutions were put to vote and carried, Mr. Rangachari's being the only dissentient voice.

**Sir Thomas Holland** also moved :

1. This Assembly recommends to the Governor-General-in-Council [a] that he should make an enquiry into the possibility of making arrangements for the disinfection of wool infected with anthrax spores as suggested in the recommendation concerning the prevention of anthrax adopted by the general conference of the International Labour Organisation of the League of Nations convened at Washington on the 29th. October, 1919 : (b) that steps should be taken to introduce in the Indian Legislature such legislation as may be necessary to enable him to give effect to the recommendation after due enquiry.

2. This Assembly recommends to the Governor-General-in-Council that he should give effect to the recommendation concerning the protection of women and children against lead-poisoning adopted by the general conference of the International Labour Organisation of the League of Nations convened at Washington on the 29th. of October, 1919, and should take steps to introduce in the Indian Legislature the legislation necessary to that end.

3. This Assembly recommends to the Governor-General-in-Council that he should examine the possibility of giving effect to the recommendation concerning the establishment of Government Health Services adopted by the general conference of the International Labour Organisation of the League of Nations convened at Washington on the 29th. October, 1919.

4. This Assembly recommends to the Governor-General-in-Council

(a) That he should ratify the draft convention fixing the minimum age of admission of children in industrial employment adopted by the general Conference of the International Labour Organisation of the League of Nations convened at Washington on the 29th. October, 1919, subject to the following reservations : (1) That it shall not apply to factories employing more than 10, but less than 20, persons, unless the local Governments so directs, and (2) that transitional regulations shall be made regarding children between the ages of 9 and 12 already lawfully employed in factories.

(b) That steps should be taken to introduce in the Indian Legislature the legislation necessary to give effect to the draft convention as applied to British India by Article (6) thereof and subject to the reservations above stated.

All the above resolutions were put to the vote and carried.

## The Council of State

DELHI—FEBRUARY 21ST, 1921

On this day the seven resolutions on Labour problems passed previously in the Legislative Assembly were moved by the Hon. Mr. A. C. Chatterjee, and after a debate in which Sir Dinshaw Wacha, Sir Alexander Murray, Mr. L. S. Mehta, Mr. M. Dadabhoi, and others took prominent part, were passed as before.

Sir William Vincent introduced a Bill further to amend the Code of Cr. Procedure of 1899 and the Court Fees Act of 1870. Mr. Moncrieff Smith then laid on the table a Bill to amend the



Indian Tea Cess Act of 1903 which was passed by the Legislative Assembly on the 19th.

**Near East Conference—Indian Muslim Representation**

The most important discussion on this day's sitting was, however, a motion for adjournment by Mr. Bhurgri regarding the Near East Conference.

**Mr. Bhurgri** moved his resolution regarding the Muslim deputation that had been sent to England to attend the Near East Conference, where he dwelt at length on the failure of the British Government to redeem their pledges.

Mr. Bhurgri, after securing the adjournment of the House said that he intended to call the attention of the Government to the recent statements in the press that the representatives of Muhammadan opinion are being summoned to London almost immediately to represent the views of that community in a matter of vital importance. The speaker said that if there was any community which had more friendly relations with the Government, it was the Muslim community. There was a time when they believed that England was the only friend of the Muslim Empire and of their faith, Islam. The idea of Sultan of Turkey, being the Khalifa and the custodian of Holy places, was not concocted now, and, in fact, it had been indirectly recognised by Lord Beaconsfield, the Government of India, and Sir Richard Temple, by blessing a mass meeting of Musalmans held in Calcutta at the time of the Russo-Turkish War in 1876. When the great War broke out the Muslims of India stood to a man for Great Britain, Muslim soldiers even fought against Turkey on definite assurance that it was not a religious war. Then came the Turkish Peace Treaty wherein pledges were all broken, and the Muslims' trust in British good faith was impaired. They wanted restoration to Turkey of Asia Minor and Thrace and grant of full autonomy to the Arab Provinces without any control by a non-Muslim power. They also asked that the Holy Places of Mecca and Medina should be placed under the suzerainty, however nominal, of their Khalifa. Whatever was the decision of the Peace Conference, it was extremely painful to find Great Britain hostile to the Turkish interests, while France and Italy favoured the fallen foe. Thus, this hostile attitude of the British Cabinet has aroused bitter feelings among the Muslims.

Coming to the part played by Lord Chelmsford's Government, the speaker appreciated their powerful efforts to secure full representation of the Muslim feeling, but the Indian Government had to be blamed for not having taken his community into confidence. The Government should now make a full and frank statement of



what they had done and what they proposed to do. The speaker welcomed the despatch of a deputation to England, but objected to the Government having not consulted public opinion in the selection of the names.

In the next place, the Khilafat problem being a purely Sunni problem, the composition of the delegation should have been, in the main, Sunni. The presence of an eminent Moulvi on the deputation to present the religious aspect was very essential, and he would have liked to see Maulvi Abdul Bari added to it. But as the Maulvi would not like to go, he suggested the name of Maulvi Saddruddin to be added to the delegation.

Concluding the speaker said : Let me assure this Council that no body is more anxious to have peace than the Musalmans of India. No body is more anxious to acquire the old good-will and friendship of Great Britain than my community. Peace is the great need of India ; it is a greater need of England and the greatest need of the world. That peace can be achieved only by Great Britain showing magnanimity by forgiving and forgetting the past and by extending the hand of real fellowship towards Turkey in her hour of trial and need, and thereby reconcile the Mussalmans of India. Will British statesmen rise equal to the occasion ? That is a question which is uppermost in the mind of every Mussalman of the world.

Mr. Dennis Bray, the Foreign Secretary, said : Indeed, it is no secret that the Government was not a little disappointed and somewhat embarrassed when, at the last meeting, the resolution of Sir Zulfikar Ali Khan on this very subject was crowded out. No one who had studied the wording of the resolution would have failed to realise that it was designed as an appeal for a further representation of the views which this great religious community entertained on the question. The Government of India were now glad that they had another opportunity of clearing up what appeared to have gathered round the subject. As one who had lived in the changing environments of Islamic frontiers, and as one who had studied Muslim feelings among the virile frontier tribesmen, he listened to the speech of Mr. Bhurgri with deep sympathy ; here and there it was true that Mr. Bhurgri had rushed where one would have feared to tread. They were restricted in this matter by the rules of the Council, which had been framed with Parliamentary sanction, and therefore, he did not propose to traverse the speech of the hon. mover, except in so far as it affected India's foreign affairs. But he could say this much that not only had the feelings of Muslim community on this momentous question been represented by the Government of India from the outset fully, but His Majesty's



Government also had been acquainted with reference after reference made by the Government of India on matters of foreign politics, These could not have been otherwise. From an external point of view alone, the welfare and good-will of Islam must, in the very nature of things, be of paramount importance to India and the British Empire. This fact was in itself a powerful reinforcement of the cause which the Government of India had advanced. The Government of India, in their references on matters of foreign policy, had lost no opportunity of urging this fact on His Majesty's Government. In drafting a reply the other day, to a question put in the other House on a matter closely touching the question now before the Council, he wrote that no further opportunity for representing the Muslim feeling and views offered itself. For the moment he was wrong. The opportunity he said, lies before the Council to make or mar. "Let us combine in depth and sincerity with sobriety and sanity of expression, to furnish the Government of India in today's proceedings yet further material wherewith to fortify that cause which in the essence, if not in detail, the Government of India shared with the hon. mover."

#### Other Speakers.

Sir Umar Hayat Khan said that really a strong feeling existed on this subject in the country. But he was perfectly sure that the Government would in future, as in the past, do their very best in the matter.

Sir Harnam Singh hoped that the publication of the Government despatches on representation of the Muslim feeling would ease the situation. The present motion was a move in the right direction, especially in view of the coming Near East Conference.

Mr. Maricair said that he was neither a whole-hearted supporter of the Government actions on this question nor a Non co-operator, but he believed that the situation could not improve as long as the Holy places were not brought under the control of the Khelafat.

Sir William Vincent In speaking on Mr. Bhurgri's motion said that the Government of India had done everything that was possible to secure the adequate representation of Indian Muslim opinion. On this there was abundant evidence of the genuine sympathy of the Secretary of State and the Government of India with them in this matter and they might be sure that their full representation was as much a matter of concern to the Government as to any one else. This point was brought out very plainly in the speech of His Excellency the Viceroy when he received the Muhammadan Deputation in this city of Delhi last year. The address of the Deputation and the reply were published very widely. After reading out several



extracts from the Viceroy's speech in that connection, Sir William Vincent referred to the fact that the Viceroy in his recent speech at Sylhet, which was also given the widest publicity, again repeated the efforts that were made by his Government. He, therefore, thought that the charge that the Government of India was not giving publicity to Muslim views on the matter was hardly warranted by facts. If they had been guilty, which he denied, he could only express regret, for it was well-known throughout India that a Muhammadan Deputation went to England and other western countries last year, and their activities were a widely published fact. They themselves took it on themselves very appropriately of advertising their own activities as widely as possible, and the Government of India on their part, had never ceased to make representations on this matter. They had literally bombarded the Secretary of State with telegrams, communications and in every possible way ; in fact, the Viceroy could not have done more to put the views of the Muslims before His Majesty's Government. (Applause.) They knew well how Muslim feeling was deeply exercised ; whatever was the origin of this movement, whether in its inception religious or not, there was no doubt, whatever, that now it was a movement of a deeply religious character which touched the feelings of all Muhammadans. They felt that Indian Muslims in particular had done so much in the War that they were entitled to some special consideration in this matter, that Indian Muslim opinion should receive adequate representation. They felt also that now that the foe had been beaten the Indian Muslim community expected that Great Britain would deal with her generously.

Proceeding, the Home Member said : "when I heard that the first Inter Allied Conference was going to take place, I at once took steps with the sanction of His Excellency the Viceroy to secure the still further representation of Indian Muslim opinion. At that meeting I enquired from the different local Governments for suitable persons and we have sent His Highness the Aga Khan, Mr. Hasan Imam and Mr. Chotani to England on this mission. Mr. Chotani is taking with him Dr. Ansari of Delhi, and it may be quite possible later on to secure admission for Dr. Ansari as one of the delegation. I have been told that the Shias and Sunnis feel together in this matter, and for that reason we have sent this mixed deputation. Mr. Chotani is a man who, I understand, has always headed the Khilafat movement in Bombay. He is an orthodox Sunni. I know of no more able advocate of the Muhammadan cause than Mr. Hassan Imam, whether he is a Shia or a Sunni. He is not by any means a Government man. There is



no man with whom I have differed more than with Mr. Hassan Imam and so Government cannot be accused of having sent a party man. We have now telegraphed to the Secretary of State urging upon him the importance of not arriving at any final decision at the Conference until the non-official delegation of Indian Muslims have had the opportunity of placing their view. More than this we could not do." The Home Member then said that they could not include Moulana Abdul Bari in the Deputation of the kind. This is not possible. Mr. Sulaman Shah's name was also suggested in the Council of State, but the speaker pointed out that there was very little use of sending more men on a wild-goose-chase a week later. If the Council could suggest any other method by which they could secure more adequate representation of Muslim views, the Government of India would gladly undertake to intimate to the Secretary State of it, because in this matter they were at one with the Hon. Mover.

Mr. Bhurgri, intervening, said : I have suggested the name of Mr. Sadruddin.

Sir William Vincent, replying, said: I shall take this into consideration. The only suggestion I can make is that Muslim members of the two Chambers should formulate their views in a more definite fashion, so that I can cable at once to the Secretary of State in order that everything possible might be done to promote the cause which I am not competent to deal with. It is a question for Muhammadans themselves to decide, but the Government of India and His Majesty's Government repudiate any suggestion that they have exercised, or will exercise, any kind of interference in a religious matter of this kind. As for the question of the Holy places, I believe they are entirely under Muslim power, and that no military is experiencing any control. After what I have said, I hope, the Hon. Mover will see his way to withdraw his motion.

Accordingly Mr. Bhurgri withdrew his motion.



## The Legislative Assembly

*DELHI—22ND FEBRUARY 1921*

### The Amending Bills.

Mr. O'Donnell moved that the Bill to amend the Indian Limitation Act, 1918, be taken into consideration.

Dr. Sapru moved an amendment that the Bill be referred to a Select Committee. This was done.

Mr. Hullah moved that the Indigo Cess Act be taken into consideration. On the motion of Mr. C. A. Junes, the Bill to extend the Import and Export of Goods Act, 1916, till the 31st March, 1922, was passed.

Mr. Hailey moved : "That, with a view to the constitution, in pursuance of Rule 51 of the Indian Legislatures, of a Committee on Public Accounts, consisting of not more than twelve members, this Assembly do proceed to elect eight members to be members of the said Committee". The resolution was carried without discussion.

Mr. Hailey next moved :

That this Assembly should proceed to the election, in such method as might be approved of by the President, of a Standing Finance Committee of the Assembly, not exceeding ten in number, to which should be added one member of the Assembly to be nominated by the Governor-General, and that the member so nominated should be the Chairman of the Committee.

The resolution was carried without any opposition.

The President announced that the nominations of members for these two Committees on Finance would take place next Friday, and that, on Saturday, both Committees would be appointed.

### THE PRESS ACT

Mr. O'Donnell then moved for a Committee of officials and non-officials to examine the Press and Registration of Books Act, 1867, and the Indian Press Act, 1910, and report what modifications were required in the existing law.

Sir William Vincent, in reply, said that unless a study was made of the various legislations, it was impossible to understand the whole question now before the Assembly. Prior to 1835, all printing of books and papers was subjected to licence by the Governor-General-in-Council and the licence was issued entirely at his discretion. That year an Act was passed which merely required the registration of the printer's name. It was replaced in 1867 by the existing Registration of Books Act. There was no other restriction on the Press until 1896, after which the Vernacular Press Act was passed. Till 1907, there was no direct interference with



the Press, but in the latter part of this period, there was a great deal of sedition disseminated from the Press and on the platform that the Government had to adopt other means of suppressing it. The most important of the measures passed for this purpose was the passing of Section 124—A in the Indian Penal Code. There were a certain number of prosecutions under this section up to 1907, which were generally successful. But this dissemination of sedition still continued unchecked, although it was strictly confined to certain organs of the Press. He did not wish to be considered as committing a general attack on the Press, but it must be said that there were a certain number of the Press which advocated and disseminated most acute forms of sedition.

After quoting certain sentences from the Press to support his statement, the Home Member proceeded to say that since that time the Government undertook a more vigorous campaign against these papers and prosecuted very much more freely, and it was about this time that the Newspaper Incitement to Offences Act was passed in 1908, mostly at the instance of the Bengal Government. In this connection, it would be interesting to know that Barindra Kumar Ghosh, the principal accused in the Alipore bomb case, admitted that he had been incited by the encouragement he received from various newspapers at the time. The Government were then prosecuting a number of people, and the papers which were reporting protracted proceedings of the case, were being sold like hot cakes. Newspapers were thus getting advertisement, which the Government could not help. By these prosecutions the Government were indirectly assisting the spread of the very poison which they wanted to get rid of. This gave rise to the Press Act of 1910, which had been administered with a reasonable amount of forbearance and with beneficial effects on the whole. He was quite aware that some over-zealous officers might have used the Act unfairly and to that extent the circumstances did not justify. He was also aware that the Government Officers were not acquainted with difficulties that would be created by a threat of proceedings under the Press Act. He knew that the European owned and edited Press had not suffered to the same extent as the Indian Presses and that there was an impression that the Act was being administered rather high-handedly and that its scope was unduly high. But it was impossible for the Government to undertake a revision of the Act during the War. It would be remembered that H. E. the Viceroy replied to the Press Deputation in 1918, that he could not make any alteration in the Act at the time because of the War. Again, an informal Deputation of the Press was received last year, when the whole



matter was discussed, and the main points urged were that no security should be demanded unless it could be shown to the satisfaction of the Court that forfeiture should be made consequential upon the order of the Court; modification of Section 22; and appeal against the revision of the District Magistrate. The Government thought that it would be wrong to initiate action on these lines without consulting the new Legislature, and that was the genesis of the proposed appointment of a Committee which would consist of at least two-thirds non-official and of whom the Assembly would approve.

Mr. Seshagiri Iyer said that it was humiliating that Indians should have a law which required security before a person was asked to start a printing press or write in a paper. The very idea that a Press had to obtain a licence was revolting, and he remembered a case which was argued in Madras when the then Advocate-General said that the Press Act was really a licensing Act. There should be no Act on the Statute Book of this country, which made the profession of journalism one for which licence should be taken as it should be taken for the opening of a toddy shop. It might be that newspaper editors were mistaken or wrong or even perverse, but it could not be denied that their object was to instruct and guide the people in every way and to interpret the thoughts of the people to the Government in the majority of cases. That was the absolute truth, but the Act, which made the profession of journalism derogatory in that sense, should be repealed at once, if the Reforms Scheme was to be worked by the Indians and Europeans as suggested by Mr. Norton. Sir William Vincent had said that in 1825 earlier Acts had been repealed. The speaker pointed out that they were repealed, because of the agitation then persistently carried on by non-official Europeans in India, and he was glad that, in this instance also, non-official Europeans were helping to deal with the question. The speaker further traced the history of the Press Legislation till 1908, and said that the 1908 Act was justified in those days of the Partition Agitation in Bengal, but there was hardly any justification of keeping it on the Statute Book. Since 1908, there had not been a single prosecution under that Act, and it was a menace to the peace and good-will between the Government and the people. Then there was the Press Act of 1910, against which Lord Morley had written so much in his *Recollections*. The point to be considered was that these Acts were never intended to be permanent on the Statute Book. Section 124, I. P. C., had enlarged the definition of sedition much, so that every possible attempt to spread anything could be punished under that section. The Press Act had taken away altogether the right of audience



and appeal, and the discretion of the Executive was substituted. Another feature of the Press Act is that it violated the first principle of Jurisprudence by directing the accused to prove that he was innocent. The High Court had no power to deal with executive discretion. Further, the Act was used with partiality to certain newspapers and also humiliated the intelligentsia of the country, and but for this, the Jallianwalla incident could not have occurred. But if they wanted the Reforms Scheme to work successfully, they must abolish the Press Act.

Mr. Girdharilal urged the repeal of all repressive legislation.

Mr. T. Rangachariar urged that the House should accept the resolution in a spirit of compromise, and try to examine the Government's difficulties.

Mr. Chowdhuri Shahabuddin then moved an amendment requiring the repeal or modification of the Acts if it was considered desirable by the Committee. The Home Member accepted it, as it made no difference in the terms of reference.

Mr. Seshagiri Aiyar moved an amendment that the Newspaper Incitement Act VII of 1908, should also come up before the Committee for the reason that, firstly, it had never been used since 1909, and secondly, the special procedure under it was unnecessary and that the same purpose could be served by the Indian Penal Code.

Sir William Vincent said that the Government were attacked both ways. If they did not use it, it was said that such an Act was unnecessary, and if they frequently used it, they were subjected to the criticism of abusing their powers. He thought that destructive criticism was easier than a constructive one, and Mr. Seshagiri Aiyar would do well to serve to the Committee. The Home Member agreed to include the Newspaper Incitement to Offences Act within the terms of the Committee.

The amendment was then put and accepted.

Mr. Seshagiri Iyer then requested that his Bill on the Press Legislation, which had been balloted for, might also be placed before the Committee. Sir William Vincent, replying, said that, when they proposed to have Mr. Aiyar on the Committee, they desired to secure his judicial mind to the task, and if his Bill also came up he would not be able to impartially look at all the facts. When the Committee had submitted the report, his Bill could again come up before the Assembly. Mr. Jamnadas Dwarkadas challenged the Home Member's statement that the Press Act had been fairly used, and submitted that, in the majority of cases, it had been used to suppress the legitimate aspirations of the people as ventilated by certain Editors.

The amended resolution was then put and carried unanimously.



## The Council of State

*DELHI—23RD FEBRUARY 1921*

**Sir M. Dadabhoy** moved :—

“This Council recommends to the Governor-General-in-Council that a Committee consisting of the Members of this Council and of the Legislative Assembly be appointed, with powers to take evidence, to explore the possibilities of improvement in the position of the existing Government stocks, and to advise the Government on the question of future loans, both for State purposes and for railway and irrigation purposes.

He said that the resolution was justified by the present depressed condition of the market in regard to securities, more as a result of want of confidence among investors, than of the continued stringency of money in the market, the scarcity of money, and still more the loss of public faith in the old and the new three and half per cent stocks, as good investments have contributed to the present alarming depreciation. Not only had the permanent stocks lost in value, but they had ceased to be freely negotiable. It was significant that even the 4 and 5 per cent long term loans were nowhere in demand. The formation of the Imperial Bank imparted a slight tone to the market for a time, which was marred by the rigorous propaganda of Non-Co-operation.

Coming to the London market, for the last week of January, the India 3 per cents, which stood in July, 1914, at seventy three and half, were now quoted at forty eight and three fourth and India three and half per cents, which stood in July, 1914, at eighty six and half were now down to fifty six and one fourth. Comparing these quotations of the Colonial Government it appeared that nine of them stood so low as India and this, in view of the fact, that the Indian public debt compared most favourably with any other country in the Empire. The difficulty was that the Government of India had not taken steps to popularise Indian Government securities here or in the London markets.

Sir Guy Fleetwood Wilson, in March, 1919, and Sir William Meyer in March, 1916, viewed with alarm the large depreciation of price of the premier security of India and felt that if this depreciation was ignored great difficulties would fall in the way of future borrowing. Unfortunately, Government failed to handle the situation with courage and forethought, and whatever conversion they offered, lost its value in view of the conditions imposed. The result was that all public confidence was destroyed in the permanent loans and, accordingly, in 1916-17, Government had to abandon all idea



of a permanent issue and, at first, long-term loans, and then short-term bonds came into vogue, with most mischievous results upon the existing stocks and public feeling. In March, 1918, Sir William Meyer showed a disinclination even to issue long-term loans, in view of the public attitude towards short-term war bonds. In 1918 a long-term loan was issued, with the privilege of exemption of interest from assessment to income-tax. The public response was liberal, but the common fate overtook this loan too. The 1920, 6 per cent loan was fairly a success, but it had enormously increased Government liabilities. The public was now unwilling to tie up their money. The loss of public faith in even long-term notes was due to the large accumulation of the temporary and floating debt of the Government.

The important problem of raising money for capital expenditure to meet the increasing claims of administrative and military efficiency, which might not be met from revenue sources, should suggest to the Government this conservation in full strength of the only sources of supply open to the Government and by ensuring the replacement of the temporary debt by a permanent issue, and this could be done best by restoring public confidence, by appointing a Committee of experts representing all interest.

The speaker believed that the present falling off was due, firstly, to the placing by Home Government of attractive loans in the Indian market; secondly, because of the fact that through the heavy sale of Reverse Councils, large capital was exported to European hands, and lastly it was due to the issue by the Bombay Government of a six and one-half per cent loan. The remedy for the depression was to discontinue short-dated bonds and by increasing the rates of interest; also to rely upon the permanent stock, with reasonably high interest. The view of investors was that the conversion of whole stocks of the 3 per cent and 4 per cent Government paper into a uniform of 5 per cent and of four and one-half per cent stock with the privilege of exemption of interest from assessment to income-tax, was necessary to restore public confidence and enable the Govt. to gradually wipe out the temporary floating debt. These suggestions might appear to add to the burden of the general tax-payer but he believed that the continuance of the existing Government loans would ultimately prove ruinous to the tax-payer.

Moreover, of the total debt of India which stood at £335 millions, 8 per cent was productive for countries in the world. Such a record as this gave a hopeful view of Indian finances. The speaker's one object in moving his resolution was that the whole subject of possibilities of improvement of old permanent stocks and



the future loan policy of Government be fully investigated by an expert Committee.

Mr. Cook, the Finance Secretary, moved an amendment to the main resolution desiring, that instead of the appointment of a Committee, the financial policy of the Government be so directed as to ensure the yearly rehabilitation of the Government securities, with due regard to the necessity of finding temporary debt and to the provision of capital expenditure for productive purpose.

Mr. Cook said that the Government was in agreement with the object of the resolution, but they considered that no purpose could be served by the appointment of a formal Committee. The Government were glad to have an opportunity of discussing these matters, which, though dry, profoundly affected the welfare of the country. In the discussion of this matter, the Government had nothing to hide, but everything to gain by publicity. He agreed with the mover that there was a serious depreciation in all the Government securities, both old and new, but this was quite inevitable. The position to-day was much different from what it was in the pre-War days. The great War, which had affected the whole world, had rendered the position of finance far worse than that of India. However, the severe depreciation could not be faced with equanimity, for it would mean loss of confidence in State credit. The Government had to stop borrowing, and, with the enormous Treasury Bills, they were in the position of a juggler, who with magical increase in the number of coins in hand, did not know how to loose them all. The Government were doing their best to reduce to manageable proportions their Treasury Bills now outstanding. They would be observing general economy by keeping down ordinary expenditure, so as to make them depend upon Treasury Bills to a less extent, and also try to refund the temporary debt. The Government felt that the conversion of their securities, as suggested by the mover, would tend to the burden of the general tax-payer, which they could not contemplate. The heavy Treasury Bills stood as an impediment, not only in bringing down the national debt, but also as a positive danger to the whole of the financial and currency administration. The Government could not work miracles in financial matters. No doubt, there were many things which required to be carried out, but caution and patience were needed, more especially because they were on the eve of the presentation of the Budget, and as the Council did not know the actual financial position of the country the Government were considering this question of depreciation and were trying to deal with it in as satisfactory a manner as possible. But the Committee procedure was not the right course.



Mr. Hailey on behalf of Government explained the position of Government and gave reasons for their past actions.

Sir Dinsha Wacha strongly criticised the action of Government and in supporting the mover said that the whole world situation must, therefore, improve if India's financial condition was to improve.

Sir M. Dadabhoi, replying to the debate, said that the object of his resolution was to invite a free and frank discussion on the subject. He was glad that the Government Member had sufficiently enlightened the Council on this most important topic. There was no difference between his motion and the amendment. The question of redemption and conversion of public debt was the most complicated, and he felt satisfied that the Government had also considered the present depreciation as a political danger. The speaker challenged Mr. Hailey's statement that the present stringency was due to the exhaustion of Indian money market, for he believed that the potentialities of the Indian market were very great and if the financial policy was well directed, there would be immense response to further borrowing by the Government. For production and productive purposes the Government should consult financial experts outside the finance department, and should not allow the premier security to lose by constant depreciation.

Sir M. Dadabhoi did not press his main resolution, and the amended resolution was then carried unanimously.

#### University of India

Mr. Bhurgri moved that steps be taken to introduce legislation in order to place the Universities of India on more democratic lines. He said that the time had come to remodel the University so as to ensure the Senate to be the supreme governing body of the University and be a popular elected body representative of all interests. The best course would be to crystallise the Sadlar Commission Report and bring all the Universities to suit the principles contained in it. This could be done either by central legislation or by delegating the powers to Local Legislatures to effect the necessary changes. The Vice-Chancellors should be elected and the constitution of the Executive Council should follow the example of the Lucknow University. In some of the Universities the Executive Council Members were Vice-Chancellors, and he had heard that at least in one instance the nomination of Fellows had been done without consulting the Minister. This required to be remedied and the position of the Minister should be defined in this respect.

The resolution was by leave withdrawn.



## Full Fiscal Autonomy.

Mr. Lalubhai Samaldas Mehta moved that His Majesty's Government should be addressed through the Secretary of State with a prayer that the Government of India be granted full fiscal autonomy under the direction of the Indian Legislature. He prefaced his observations with references to several books and reports to show that India, which was an industrial country, had been converted into an agricultural country, and remarked that England had not done her duty to help Indian industries as she ought to have done. On the other hand, Britain had been encouraging her own trade, especially those of Lancashire, Birmingham, etc. His demand was not a new one. It was as old as the Indian National Congress. Proceeding, he quoted from Sir Valentine Chirol's *Indian Unrest* in which the author had impressed upon them the feeling among Indians on this question. As regards fiscal autonomy, India must have the same rights as were enjoyed by the Australian and Canadian Governments. These Governments secured the grant of fiscal autonomy by addressing His Majesty's Government in the manner he now indicated. The speaker's object was that India should be self-contained and not dependant on foreign countries like Japan.

Dr. Sapru said that the matter under discussion was important, and had both constitutional and economic aspects. The resolution was vaguely worded, and there was no clear indication of what the mover meant by the grant of fiscal autonomy under direction of the Indian Legislature. The fiscal policy was in fact determined by legislation and not by executive order. If the resolution was carried, it would firstly defeat the veto power of the Governor-General in Council on all Acts, and secondly, it would remove the power of superintendence, direction, and control vested in the Secretary of State, and lastly it would do away with the veto power vested in the prerogative of the Crown. In fact, this resolution cut at the very root of the Act to which the Government of India owed its existence. The control of the Secretary of State and the Governor-General was real and not shadowy, and India must wait for a reasonable time to do away with this control vested in them by a statute. He suggested that the mover would do well to word his resolution so as to make the motion as urging the Secretary of State to press His Majesty's Government to grant full fiscal autonomy to India with due regard to the provisions of the Govt. of India Act.

Mr. V. S. Srinivasa Sastri, said that what was called fiscal autonomy, had been granted to the people of India partially, if not fully, substantial, if not in legal form. The Joint Select Committee report made that point absolutely clear, and Lord Curzon,



a competent authority on the interpretation of documents, speaking in the House of Lords, bade the Indians remember that they had a very great privilege accorded to them in the Reforms Act, namely, fiscal autonomy. The general proposition that had been enunciated had found expression in the Crewe Committee, which said that the Secretary of State was not to interfere wherever the Government of India and their Legislature concurred. That was the doctrine of non-interference which was ratified by Parliament itself.

Sir George Barnes, on behalf of the Government, said : We are prepared to accept the resolution, if he will insert the words "subject to the provisions of the Government of India Act, 1919," in lieu of the words "under the direction of the Indian Legislature".

Mr. Lallubhai Samaldas regretted he could not accept the amendment which he opposed, because, in his opinion, it was tantamount to asking him to withdraw his resolution, which he would not do. If the Government would urge the Secretary of State to waive the rights mentioned by Mr. Sastri, namely, the rights of granting sanction previous to the introduction of any legislative measure in fiscal matters and the *interim* veto, he would accept the amendment.

Mr. Kale said that when responsibility in the Central Government was not conceded, it meant that there was no full fiscal autonomy granted to India. So far as the amendment was concerned, it was acceptable in as much as it laid down fiscal autonomy under the existing Act which they could not over-rule.

Sir William Vincent pointed out that the resolution was incompatible with the Government of India Act which had just come into force. The resolution was a demand for a change in the Act.

On being put to the vote the amendment was carried and the resolution as amended was then carried.

## The Legislative Assembly

DELHI—24TH FEBRUARY 1921

### Women's Education

On the Assembly meeting on the 24th Feb. Sardar Gulab Singh moved a resolution that at least one Government Model High School for Indian girls with a suitable Boarding House be started in each province, that a definite portion of the education budget, say, one-fourth, be allotted and spent on the education of girls, and that a special Imperial Government grant-in-aid be sanctioned for the object.

Dr. Nandlal opposed while Mr. V. Raju and Dr. Gour supported the motion.



Mr. Sharp, Education Secretary, said that the Government of India were in full sympathy with the spirit of the resolution, but the Central Government were debarred by the Government of India Act from exercising any undue interference with the transferred subject. The Education Department did not request the Governor-General to disallow the motion, because they felt that the Assembly might be allowed for the first time to express their feeling on the matter. In future no such latitude would be allowed. The Government of India could issue no order for the allocation of particular funds for a particular purpose. This would involve an undue interference with the work of the Ministers; and lastly, an imperial grant for the education of girls would be in direct contradiction to the spirit of the financial relations under the Reforms. Mr. Sharp said that any attempt to press the resolution would be to undermine the authority of the Government of India Act from which the Assembly drew its authority.

Mr. N. M. Joshi moved an amendment to the effect that there must be at least one model College in each province, one model High School in each district, and one model Middle School in each Taluq for girls with suitable boarding houses.

The President asked Sardar Gulab Singh as to what his intentions were after hearing the appeal of the Government Member regarding the withdrawal of the motion. Sardar Gulab Singh said that he wished to press his motion to vote.

Leave having been given, both the motion and the amendment were put and lost.

#### Creation of an Indian Bar

Munshi Iswar Saran moved that the Government should undertake legislation with a view to create an Indian Bar so as to remove all distinctions enforced by Statute or by practice between Barristers and Vakils.

He referred to the nobility of the legal profession which had contributed so much to the National growth, and said that India was soon going to be autonomous and self-contained, and she should not, therefore, depend for her supply of Barristers on England. The Inns of Court in England were not interested in Indian students as such, and various High Courts in India had no power of controlling education that was imparted to Indian Barristers in England. He pointed out the distinctions that were in existence between a Barrister and a Vakil in India, although both did the same kind of work—distinctions such as pre-audience and filing of *Vakalatnama*. A Barrister need not file a *Vakalatnama* whereas a Vakil should. In Madras there was no rule by which a



Vakil could become an Advocate, nor was there any examination for advocateship in that presidency as in Bombay, which enjoyed this privilege. But in the Bombay High Court Vakils were not allowed to practise on the Original Side, a privilege existing in Madras. The second distinction was that in the Bombay High Court Barristers had to take their instructions through Attorneys, which was not the case in the Madras High Court on its Original side. There was no body in India which provided for legal education or exercised any discipline over the members of the legal profession. It was necessary in the interests of the bar as a whole that they should have a constituted and recognised body for the purpose. A self-contained independent Bar as in Self-Governing Dominions was, therefore, quite necessary.

Babu Satish Chandra Ghose moved an amendment that, before undertaking legislation to create an Indian Bar, the opinion of local Governments, High Courts and other legal authorities be taken as to the desirability of removing distinctions between Vakils and Barristers. The speaker entered into the history of the various Acts since the advent of British Rule to show how the distinction between the two classes of lawyers operated. Vakils, by their education, acquired a thorough knowledge of English Procedure, English Law and various other subjects, and were, in fact, equal to Barristers. The time had come when Vakils should be allowed to practise on both sides of the High Court, Original as well as Appellate. There were really no two opinions on this question, but instead of proceeding with the legislation, the Assembly should strengthen its hand by collecting useful opinion on the subject.

Dr. Nandlal opposed the resolution, as he failed to understand what the motion really meant to achieve. The Indian Bar was already in existence now, and, as a matter of fact, no distinction existed between Vakils and Barristers. This resolution did not seem compatible with the present condition of India, when there should be union, and not conflict, between Indians and Europeans.

Dr. Sapru, Law Member, associated himself with the mover's opinion that the legal profession, which was an honourable one, had done much for the country's cause. The whole situation had been well expressed by the late Sir Sunder Lal who stated : "an Indian Barrister need not have put in University education either in India or England. He may have been plucked more than once at the Matriculation Examination or at the Subordinate Pleaders' Examination, but if he has put in the required number of terms by keeping the number of dinners at an Inn and passed examinations in compartments, he is entitled to be enrolled as an Advocate of



any High Court in India. He has the right of pre audience as against Vakils, however able or accomplished they may be." It was not difficult to imagine this feeling in a profession which in the past had leaders of the type of Bashyam Iyengar, Krishnaswamy Iyer, Dwarkanath Mitter, K. T. Telang, Sir Sundar Lal and Pundit Ajodhyanath. Those who were not members of the profession would generally sympathise with that feeling, but at the same time it would be unfair for anyone to forget the great services rendered to the cause of this country, and that in no other sphere than in the cause of freedom, by the Members of the English Bar. (Hear, hear.) Long before Vakils came into prominence and before such a constitutional question arose as it had arisen to day, the battle of India's freedom was fought by the English Barristers of the Calcutta and other High Courts. These English Barristers had brought with them those high standards of professional conduct and morality, and these English Barristers in India had always been an example to the Indians here. Dr. Sapru then, on behalf of Government, was willing to explore the whole matter and said that the attitude of Government was more in advance of the suggested amendment.

Mr. Ishwar Saran accepted Mr. Satish Chandra Ghose's amendment instead of the assurances of Dr. Sapru.

The resolution, as amended, was then carried.

#### Reports of Committees and Commissions

Mr. Kamat moved that the Indian Legislature be given an opportunity to discuss before any action was taken on the reports of any committee appointed by the Government of India or the Secretary of State, and said that he believed that this procedure would work as a safety valve. The present legislature was a greatly representative body, and was manned by members who had made a great name in administrative fields. The public would also feel satisfied that a spirit of mutual trust pervaded the Government actions. He was quite alive to the difficulties which were either highly comprehensive and technical or required prompt action. The rules that the Secretary of State would frame on the subject should provide against such exceptional cases of reports.

Mr. O'Donnell, Home Secretary, said that the motion, as drafted, attacked the position of the Governor-General by asking the Secretary of State to frame rules to tie the hands of the Government of India by a formal regulation. According to the Government of India Act the administration of civil and military affairs was vested in the Governor-General, and the Secretary of State had no powers to frame rules of the kind. Notwithstanding this, the Committees and Commissions were of a different nature, which could



not also always be under the purview of the Assembly. Certain reports like the Mesopotamian Report required immediate action in the interests of humanity. Then again, the second category of reports required prompt action for which no special session of the Assembly could be summoned. Further, the reports of Committees of Naval and Military matters might not be discussed with regard to public safety, and lastly, the reports of Committees affecting Foreign States or the relations with Indian Princes were not the concern of the Assembly.

Mr. Kamat said that in consultation with the Home Secretary he would modify his resolution so as to put it that the Government of India, so far as practicable, would allow the Indian Legislature to discuss the reports of the Committees. The amended resolution was carried.

#### North-West Frontier Raids

Dr. Nand Lal moved that a committee, consisting of elected members of the Legislative Assembly, be appointed to enquire into the internal causes of the raids in the North-West Frontier Province, and to suggest as to what suitable and practical measures may be adopted to put an end to the raids. The speaker gave an account of the recent raids committed by the Wazirs, Mahsuds, Mahmands, Khotwals and other tribes and their predatory habits of centuries old. He had not finished when the president called him to order in order to take up the motion for adjournment to be moved by Mr. Bakshi Sohan Lal.

#### The Nankana Sahib Tragedy

Mr. Bakshi Sohan Lal then moved for an adjournment of the House to discuss the Nankana Sahib tragedy (see Vol. I). He said that for the last six months they had been hearing of many quarrels in the Sikh shrines, in many cases attended by casualties, but in no case had the result been so horrifying as in the latest phase of the movement. The speaker read all the Press Communiques that had been issued on the subject by the Punjab Government, and said that the popular estimate of the casualties stood at 195. This was a very serious matter, and the Government should make its position clear on the issue.

When the speaker was proceeding to move his resolution, the President called him to order, and said that the Parliamentary procedure was that when an adjournment was secured a discussion should follow, and if after hearing the Government the mover desired to press his motion and if the motion was carried, it meant a vote of censure on the Government. At this Mr. Bakshi Sohan Lal resumed his seat.



Sir William Vincent assured the House that the Government fully realised the extent to which the Sikh feeling on the matter was touched and that they had the fullest sympathy with the sufferers, but he regarded the present motion with considerable apprehension as it would establish an unsound precedent for this Assembly. The administration of Law and Order was a provincial matter, and the Punjab Government had adequate machinery to deal with it, and, therefore, he felt that this question should have been brought before the Local Council. If another trouble arose in Bombay or in Bihar or in any other place, and the Home Member was asked to explain, then the position of the Central Government would be impossible. He, therefore, apprehended that this resolution sought to set an unsound precedent for this House. However, he was glad to give the entire information that he possessed on the subject. The first information that reached him was through non-official sources. Then came an official telegram confirming the serious affray. The Government of India at once sent a clear line message to the Local Government to ascertain the full facts and wire to them as the figures in some non-official reports were put at 130 and 195. The main reason for the Government to send this telegram to Lahore was that there was danger that these disorders might react on other places in India. The Government received a reply that the Governor, with the Executive Councillors and Ministers, had proceeded to the place and that an investigation was conducted with all possible vigour. He assured the House of the close attention of the Govt. to the matter.

Bakshi Sohanlal did not press his motion, as he simply desired to bring the matter to the notice of the Central Government.

### The Council of State

DELHI—28TH FEBRUARY, 1921

On this day Mr. Sarma introduced the Bill to amend the Land Acquisition Act of 1894. The proposed amendment was intended to give in express terms a right of appeal to the Privy Council.

On the motion of Sir William Vincent, the Civil Procedure Code Amendment Bill and a Bill to facilitate enforcement in British India of maintenance orders made in other parts of His Majesty's Dominions and Protectorates and *vice versa* were passed without discussion. The Tea Cess Act Amendment Bill was then passed without discussion.

### Burma Reform Scheme

Mr. Maung Po Bye then moved that this Council recommends to the Governor-General-in-Council (a) to urge the Home Government to settle the Reform Scheme of Burma as early as possible,



(b) to communicate with the Home Government expressing the hope that if the Burma Reform Scheme is committed for examination to a Joint Committee of both Houses of Parliament, arrangements may be made to allow some members of this Council and the Legislative Assembly to be examined and attend before that Committee ; (c) to revise electoral rules of both the Council of State and the Legislative Assembly concerning Burma in the matter of qualification of electors and in the preparation of electoral rolls.

The resolution was put by parts, the second part relating to the deputation of some members of this Council and the Assembly for examination before the Joint Committee was lost by a large majority, and the other two parts were carried. The resolution, as amended, was adopted.

DELHI, 1ST MARCH 1921.

#### Rice Licence

Mr. Maricair moved that the power of issuing licences for the export of rice from India to Ceylon and the Straits Settlements be kept in the hands of the Local Governments instead of being surrendered to foreign Governments. The motion was put to vote, and was rejected by an over-whelming majority.

#### Indians Abroad.

Mr. Mehta moved that it was desirable that a separate Department of the Government to watch and safeguard the rights of Indians in Overseas Dominions and Colonies be immediately established.

He said that this motion did not mean want of confidence in the Commerce Department, but was merely brought forward to bring to the notice of the Government that the question of Indians Overseas was so acute that a separate department would do enormous good. He admired the recent Government despatch on the position of Indians in East Africa, and said that if the same attitude was to be maintained, a whole-time official must be engaged. He wanted that the Indian Government should look after the interest of Indians in foreign countries in the same manner as the British Government did in the case of Britishers in foreign countries. The general taxpayers also would not grudge this much-needed reform.

After the Government had explained the steps they have taken to secure the interests of Indians abroad, the mover withdrew his resolution.

#### Income Tax Act

Mr. Annamalai Chettiyar moved that the following rule under Section 43 (1) of the Act of 1918 may be sanctioned for ascertainment of taxable income of a business under the Income Tax Act. The motion was however withdrawn.

Mr. Hailey then presented the Budget.



# The Financial Statement of the year 1921-22

*DELHI—1ST, MARCH 1921*

In introducing the Budget for the year 1921-22, the Hon' Mr. W. M. Hailey, the Finance Member, said in the course of his speech :—

## **The Year 1920-21—General Characteristics**

A year ago, I was able to record a year of considerable prosperity. We had certain anxieties as regards our financial future, due to the heavy load of floating debt which we were carrying, the inflation of our currency which imperatively demanded remedial treatment, and the liabilities ahead of us in the shape of large quantities of war bonds due for early maturity ; but the outlook was generally bright. The Armistice of November 1918 had been followed by a general trade boom in most countries of the world. Though there were signs that this boom rested on no sure foundation, and that the chaotic condition into which most of the belligerent countries had allowed their finances to fall would sooner or later react upon their economic and industrial position, nevertheless, the foreign demand for India's produce was still strong, and as the result of a huge balance of trade in India's favour, exchanges had risen to heights previously undreamt of. The 1919 monsoon had been an excellent one, the public revenues had grown considerably during the year, and the only event which had seriously disturbed the anticipations of Lord Meston's budget was the Afghan War in the summer of 1919, which had converted an expected small surplus into a deficit of some 23 crores. There seemed, in fact, to be only two clouds on India's financial horizon. There was first the legacy of war finance, to which I have just referred, which pointed to the need for severe economy until our finances had been rehabilitated, and, secondly, the continuance of high internal prices, which not only pressed severally on the mass of India's population but threatened to involve the tax-payer in considerable expense for wholesale revisions of the pay of all our public servants. But with a maintenance of the prosperity of the previous year, and a continued growth in the public revenues, we felt that we could



face the future without fear or misgiving. And I think that the public generally joined with us in our somewhat roseate vision.

That vision has, alas, faded, and has given place to a somewhat grim reality. The trade boom passed away with an uncanny rapidity; and it has left behind it a trough of depression, of which it is possible we have not yet seen the worst. On the one hand, the great purchasing power which India had accumulated after the war, and which was itself enhanced by the high exchange value of the rupee which obtained last cold weather, has been used to import very large quantities of manufactured goods of which, during the war, markets were starved. So persistent has been the rush of imports that not only have our customs receipts broken all records, but the Indian markets are now seriously overstocked and dealers have found themselves face to face with a very difficult financial position. On the other hand, the last 8 or 9 months have shown the recovery of the greater part of the Continent from the economic collapse resulting from the war and is likely to be much more protracted than any one had anticipated; the power of India's customers to purchase her produce has been severely restricted, and the export trade is suffering an almost unparalleled depression. To use the words of the British Prime Minister, the countries of Europe have been like a starving man in rags looking longingly through a shop window at commodities which he badly needs but for which he has not the money to pay. The consequence of the inability of our customers to purchase our raw produce has been not only a general contraction for the time being in the demand for India's products, but the piling up of stocks of many of her raw commodities, such as hides and tea. Simultaneously, it has been necessary in the interests of the Indian consumer to continue many restrictions on the export from India of food grains, and there has also been a marked falling off in Japan's consumption of raw cotton. All these factors have contributed to a violent swing of the pendulum and the large balance of trade in India's favour existing up to a year ago has now been converted into an adverse in balance. The Providence which controls rainfall has chosen this inopportune moment to add to our difficulties; and the monsoon of 1920 has been on the whole a disappointment. It started well, but ended badly. The average rainfall of the monsoon period over the plains of India as a whole was 12 per cent below normal, and as a consequence of its very early withdrawal from the wheat-growing provinces the sowings of the *rabi* crop were much restricted. The effects of all these untoward events are necessarily writ large upon the public finances. But before I touch the figures of the revenue and expenditure of the year, the House would probably like me



to deal with certain aspects of the present trade position, in their relation to and reaction on those problems of exchange and currency which have in the past few years occupied so much of the public attention.

### Exchange and Currency

I have spoken of the great swing of the pendulum of India's trade. The close of the preceding financial year had shown a trade balance of 95 crores in favour of India, taking into account movements of gold and silver. The persistent growth in imports, which increased from 21 crores in April to no less than 32 crores in December, coupled with a decline in exports in those months from 28 crores to 20 crores, resulted in the balance of 95 crores in our favour being replaced by September by an insignificant balance of less than 2 crores, since when it has been continuously against us.

The adverse balance of trade so created had a very powerful effect upon the rupee-sterling exchange. Twelve months ago to-day the market rate was 2s. 7d., to-day it is in the neighbourhood of 1s. 4d. I know that there are some people who, by shutting their eyes to the conditions obtaining abroad, and forgetting that India with her large foreign trade cannot possibly remain unaffected thereby, convinced themselves that the present overstocking of the import markets, and the existing depression in the export trade, is in some undefined way attributable to the exchange followed by Government.

But let me recapitulate briefly the course of events during the past two years. Throughout 1918 the enormous balance of trade in India's favour had by stages forced up the exchange value of the rupee, until in January 1919 the situation was as follows. The successive rises in exchange, and the very great uncertainty as to the future, had led to an insistent demand from the business public, both Indian and European, for the formulation and announcement of a clear policy. As the House knows, a strong Committee was appointed by the Secretary of State, which sat from May to December 1919. The Secretary of State and the Government of India decided to adopt the main recommendations of that Committee, and an announcement to that effect was made early in February last year. Looking back, it is easy enough to realise that the circumstances in which the new policy was launched were exceptional, currency conditions throughout the world were in a highly abnormal state, and even neutral countries, which had escaped much of the worst consequences of the war and had, indeed, increased their prosperity, had found it difficult to maintain their exchanges at



par with the only country, the United States, where a free market in gold had been declared. In India we had to contend against a combination of particularly adverse forces. Just as the new policy was introduced, the London-New York exchange markedly weakened, with the result that the rise in the rupee exchange, required to give full practical effect to the Currency Committee's recommendations, was far steeper than any one could have anticipated. One must admit further that the conditions under which Reverse Councils were at first sold gave a powerful stimulus to the demand for remittance of funds from India to England, and aggravated the deficiency in the supply of exchange available to meet the demand. This deficiency, indeed, and the consequent great disparity between the market rate and the 2s. gold rate became so great that it would have been necessary for us to have sold Reverse Councils to an almost unlimited extent if the theoretical gold parity of the rupee could be made effective in practice. We have frequently been asked to explain how far the persistence in the selling of Reverse Councils on the system first adopted was due to our deliberate choice or how far the responsibility lay with the Home authorities. Particular emphasis has been laid on the failure to adopt the system of state by competitive tender. I regret that it is not within the power of Government to answer these enquiries. It is sufficient to say that the situation itself compelled a change of system at the end of June, when it was decided to sell at a rate based, not on 2s gold, but on 2s. sterling.

We ourselves had hoped, and I think I can justly say that our expectations were shared by the majority of the commercial community, that the abnormal conditions, prevailing in most of the countries which are usually our customers, would before long improve. But as time went on, it became impossible to resist the conclusion that it would be unsafe to count on a return in the near future of the usual balance of trade in favour of India; and the gradual reduction, which the prolonged sales of Reverse Councils had effected in the sterling resources available for the support of exchange, made it incumbent on us to withdraw from the market. Since September last there has been no attempt on the part of Government to regulate the course of exchange, and with the withdrawal of the support afforded by the sale of Reverse Councils the market rate has sagged from a level of about 1s. 10d. at the end of September to the present level of about 1s. 4d. It has fluctuated from day to day according to the supply of and demand for exchange, and, at a time of general slackness in foreign trade, it has naturally been particularly sensitive to the export and import of gold and silver bullion. That is the plain unvarnished tale; and if our



efforts to maintain the Currency Committee's rate have so far failed, I maintain, firstly, that they were based on expectations regarding the course of trade which were at the time not unreasonable in themselves and were largely shared by commercial opinion in this country; and secondly, that the causes which rendered it necessary to abandon those efforts were causes entirely beyond our own control.

I can imagine, however, honourable members feeling somewhat impatient at what they may regard as merely an apology for the obvious fact that Government is not infallible. What they probably desire to know is, what practical steps does Government propose to take to ameliorate the present trade position? Have we any plan which will restore exchange to the 2s. level? If not, what alternative policy have we in view? Do we propose to have the matter re-examined *de novo* by some fresh Committee or Commission? Have we, in short, any policy at all? I desire to say quite frankly to the House that in our opinion there is no practical step which Government can take at present which would put an end to the trade depression and to the general feeling of uncertainty now existing. If honourable members have followed what I have already said regarding the present inability of our customers to purchase our produce, and the highly abnormal condition of the world's trade and exchanges, they will realise that the factors which are responsible for the present position are such that no Government, whatever its resources, could possibly control, and that the problems which they present are of the kind for which no Committee, however expert, could be likely to propound an immediate or radical solution.

Within these limitations, we are, I need hardly say, anxious to initiate or join in any practical measures that can be devised to remedy the present ills from which India's foreign trade is suffering. For example, we have expressed our readiness to join in any practicable scheme that can be evolved for enabling those countries, whose financial position is at present embarrassed, to obtain sufficient credit to allow them to purchase the raw produce of which they are in need, and which India is eager to sell to them, provided that payment can somehow be arranged for. More than one scheme for the establishment of a system of international credits has been suggested in Europe. One of these, regarding which there has been a good deal of discussion, is that put forward at the Brussels Conference and associated with the name of Mynheer Van Ter Meulen,\* whose scheme, as amplified by suggestions made by Sir

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\* See Y. A. R. 1921 Part I Page 409.



Marshall Reid, was recently referred by us to the Indian Chambers of Commerce. The latter have heartily welcomed any such scheme and we have expressed to the Secretary of State our readiness to participate in any practicable system of international guarantee. Whether that or any similar scheme can be put into actual effect depends upon the question whether certain practical difficulties, which are, I think, well known to those members who represent commercial interests, can be overcome. Should the efforts to do so be successful, then I anticipate that the scheme will be of some appreciable assistance to the export trade. But, save for measures such as this which, I fear, cannot at the best be regarded as more than palliatives, I am afraid that we can only wait upon events, and upon the efforts which are being made to put on their legs again on those countries which in the past have been, and we hope also in the not distant future will again be, our principal customers.

Nevertheless, I do not wish to conclude my remarks on the trade and exchange outlook on a note of pessimism. As regards imports, I think the position will before long cure itself. I understand that few new orders have been sent from India for some time, and it can therefore be only a question of time for the present stocks in India to be absorbed. I shall, indeed, be very surprised if the coming financial year does not show a very large decline in the aggregate amount of import, and this in itself will of course help very largely to rectify the balance of trade, and thus in time to strengthen exchange. If we are blessed with a reasonably good monsoon next summer, there ought to be a sufficient surplus of foodstuffs in this country to allow of their export, and, as for other articles of export, it cannot be long before the stocks in America and elsewhere are sufficiently cleared to enable some at least of our customers to resume their purchases. What, however, is at the bottom of my refusal to be pessimistic as to the future is the fact that the present condition of India's trade is due almost entirely to factors external to India herself. Unlike many of the European countries, there is so far nothing inherently wrong in India's own financial, industrial or commercial position. There are, it is true, certain aspects of our finances in which, in common with all other countries we still feel the effects and after effects of war; but we are not in the unhappy state of many other countries, where the financial situation is such as to be only remediable at the cost of efforts and sacrifices which may extend over several generations. If this Assembly will join with Government in adopting all practicable measures to ensure a speedy resolution of the country to its normal financial health then I think we shall be able to face the future in the confidence



that India will be in a far better position than most other countries to extract the maximum advantage from that revival of world trade on normal lines which the present troubles in Europe are hindering but cannot indefinitely postpone.

It would, moreover, be wrong of me to leave the House under the impression that India's general currency and exchange position has in no single direction shown improvement since the war. It is true that, owing to the public revenues having been for several years continuously insufficient to meet the expenditure falling on them, the State has been obliged to finance itself to a considerable extent by the issue of currency notes against its own notes of hand—when I come to speak of our ways and means difficulties, I shall tell the House the extent to which we have been obliged to resort to this expedient in the current year. I fully admit that our currency can never be regarded as on a satisfactory basis so long as the fiduciary portion of the note issue is to so large an extent backed by our own Treasury Bills created *ad hoc*. But that is only one side of the currency position. To measure the real improvement or relapse, I would ask honorable members to turn their minds back to the position which existed in 1918, and to some extent in the following year. Most members will have read, if they did not hear, the graphic account given by Lord Meston of the currency crisis of 1918 and the steps which were taken to save the country from the dangers of our note issue becoming inconvertible. At one time in that year the rupees in the Currency Reserve available for encashment of notes amounted to little more than four crores against a total note circulation of 115 crores. Throughout 1919 the position slowly improved, owing to the fact that the output of the mints was at last able to overtake the issues. The absorption of rupees was, however, still large, and the position this time last year was that we were still unable to contemplate any return to the free and unrestricted issue of rupees or encashment of notes at district treasuries throughout the country. But in the current year there has been a very substantial return of rupees from circulation, amounting up to the middle of February to about 24 crores. As soon as we saw, in June last, that the position of the note issue was sufficiently secure, we hastened to remove all the then existing restrictions both on the encashment of notes and on the internal movement of coin by rail. We have also been able to effect a contraction in the circulation of notes, the total circulation standing at present at 164 crores against 185 crores, the maximum reached at the end of January 1920. The result is that the percentage borne by the metallic portion of the Currency Reserve to the total circulation is now no less than 53 as



against 46 this time last year, and 35 on March 1st, 1919. In consequence, we no longer hear of currency notes going to a substantial discount, as compared with coin, as was the case a year or so ago throughout the country. Further we took the earliest opportunity of removing the restrictions on the import of gold into India and on the export of silver. The fact that we have been able to remove the restrictions on the movements of the precious metals, which war necessities had forced upon us and which still remain in most European countries, added to the great strengthening of the metallic portion of the currency reserve, is surely a matter for some satisfaction, for they are a necessary preliminary to any return to a sound currency system.

There may be some people who do not share this feeling of satisfaction at the large return of rupees from circulation and who would contend that our currency barque has only escaped the rocks of inconvertibility to be submerged in the whirlpool of redundancy. I would certainly go so far with those critics as to agree that the large return of rupees from circulation is a reflection of the slackness in internal trade, but I would join issue with them as to its significance. I suggest that the reaction is in every way a healthy one. Personally, I regard the ebb tide, which is flowing so strongly in most of the countries of the world, and from the influence of which India cannot expect to escape, as nothing more than the result of the natural forces which must always mark the transition from a higher level of price to a lower. Already we see signs, not as yet, perhaps, very striking or dramatic, but unmistakeable in their tendency, of the long awaited break in prices, and I think we have some justification for feeling that we have at last reached and passed the summit. In spite of the poor monsoon, the price of food grains has on the whole appreciably decreased during the year; in the case of rice the decrease has been over 25 per cent, while the very marked decline in the prices of commodities like hides, jute, tea, and cotton, hardly though it has pressed on merchants and holders of stocks, must surely, if one takes a long view, be regarded as the indispensable prelude to a revival of trade on a new and lower level of general prices.

#### Revenue and Expenditure in the Current Year.

If I have dealt at some length with the exchange and currency aspects of this abnormal year, it is not only because of their importance to the general well-being and prosperity of the country, but also because of their inevitable reaction upon our own revenues and expenditure. It was necessary, therefore, to clear the way before I could give the House an account of the public finances



of the year and of our budget proposals for the coming year. I need to make two further remarks by way of preface. As the result of the Reforms procedure, the Government of India's revenue and expenditure will, from the end of the present month, be entirely separate from those of the provinces.

Although, therefore, in the current year the former division of revenue and expenditure between the provinces and the Government of India has remained, nevertheless my general remarks this morning, and the budget proposals which I shall lay before the House, refer solely to what will henceforth be called the Central Revenues. The only effect which the finances of the provinces have upon our own is the extent to which the net drawings on, or additions to, the provincial balances affect the ways and means position of the Central Government, who are the common bankers.

Secondly, I must explain that the budget for the current year as presented to the Legislative Council last March was framed on the old basis of Rs. 15 = £ 1, which was of course out of all relation to the then existing conditions, with the consequence that the figures on both sides of the account were in many cases swollen to such an extent as to lose much of their reality, and I was obliged therefore in my budget speech last year to put in a good deal of somewhat technical explanation. I shall fortunately not have to trouble the House with any appreciable repetition of this, because with effect from April 1st last our accounts have been kept on a 2s. basis, and this has resulted in the disappearance of most of the artificialities in question. It is true that exchange stands now at considerably less than 2s., but the average rate for the year is expected to work out about 1s. 9d, and the difference between these two rates is very much less than the similar difference with which we had to deal last year. The House will understand, therefore, that when I speak of the current year's budget, and estimate the extent to which the budget anticipations will or will not be realised, I am speaking of the budget as recast on a 2s. basis; the figures as thus recast are given in the budget statements for purposes of comparison. Honourable members will also notice that in the budget statements the combined figures of revenue and expenditure for India and English together are now expressed in rupees and not in £ sterling as hitherto. This change has been adopted with the approval of the Secretary of State in the interest of clearness.

Now, as to the facts and figures of the current year's revenue and expenditure. The budget anticipated a total revenue of 132 crores against an expenditure of 130 crores i.e., a surplus of 2



crores. The expenditure, however, included an item of 8 and three-fourth crores representing an appropriation from revenue for meeting the deficiency in the Paper Currency Reserve resulting from the revaluation of the sterling portion of the latter on a 2s. basis. It was subsequently decided (and the decision was embodied in the new Paper Currency Act passed at the last Simla session of the Legislative Council) to make up that deficiency in a different way, namely, by appropriating the income from the Paper Currency investments with effect from next year, and the appropriation of eight three-fourth crores, made for this purpose in the current year's budget, accordingly drops out. On the whole, therefore, if all our budget anticipations had been realised, we ought at the end of this year to show a surplus of ten-half crores. In point of fact, present indications point to our working to a deficit of eleven three-fourth crores. I will now describe how this large deterioration of twenty-two crores has come about.

In some directions our revenue is going to be much better than estimated, for, under the two important heads of Customs and Income Tax there is likely to be a large improvement over the budget anticipations. We budgeted for a *Customs* revenue of twenty-five & half crores; actually we expect to get no less than thirty-three crores, i.e., an improvement of seven-half crores due, I need hardly say, to the abnormal causes which have led to a great rush of imports into India during the year. The revenue from *taxes on income* is expected to be four crores better than the estimate; one and half crores of this improvement relates to ordinary income-tax, one crore to super-tax, and one and half crores to arrear collections of the excess profits duty. Under these two heads, therefore, we expect an improvement of eleven and half crores. I now come to the other side of the picture.

We expect the net receipts from *railways* to be some seven and half crores less than the amount estimated. We naturally framed our budget on the supposition that the goods and passenger traffic would be such as one might expect if agricultural conditions were normal. In spite of the poor monsoon, our estimate of eighty-four crores for gross traffic receipts is not likely to prove very wide of the mark, for we now expect to get eighty-two crores. It is the working expenses of railways, which have been increasing month by month, that have been mainly responsible for falsifying our estimate of net receipts; the bulk of this increase is due to increase of pay given to the railway staffs. The other items of worseness under civil revenue and expenditure are spread over a number of heads and aggregate some eleven crores. Of these, I need only



refer to the adjustment for *exchange* which will amount to slightly over two and half crores. The necessity for this arises in respect of what are known as our "home charges." These are brought to account at the equivalent of Rs. 10 to the £ sterling, although in point of fact, owing to the average rate of exchange throughout the year being somewhat less than 2s. (probably about 1s. 9d.), the actual number of rupees that we shall have had to send home to meet these charges will amount to more than the rupee expenditure shown in our accounts. We have of course to show the difference somewhere. In respect of our capital expenditure (railways, irrigation, Delhi, etc.) the difference is shown in the capital accounts and does not concern us here. In respect of expenditure debitable to the revenue account the portion pertaining to the commercial heads, *viz.*, Railways, Irrigation Works and Posts and Telegraphs is shown against the respective heads, and the balance is lumped together under the head "exchange". Thus, to give one example, our home expenditure this year, debitable to the military head, will be shown in our accounts at about eleven and one fourth crores of rupees, sterling having been converted into rupees at £ 1 = Rs. 10, though actually the sterling charges will cost us about thirteen and one fourth crores of rupees—the difference is one of the items making up the total of two and half crores which I have mentioned.

Altogether, then, the improvement of Rs. eleven and half crores under Customs and Income-Tax will be more than counter-balanced by a deterioration of Rs. eighteen and half crores under the other civil heads. It is excess military expenditure which is answerable for the remainder of the total deterioration of Rs. 22 crores in the budget anticipations, for we expect a total military expenditure of Rs. 70·4 crores against the budget provision of Rs. 55·2 crores. I hope that His Excellency the Commander-in-Chief or the Army Secretary will have an opportunity, during the course of the budget discussion, not only of giving a far more authoritative account than I can furnish of the precise object to which our present military expenditure is devoted, but also of justifying to the House the scale of expenditure which the ordinary normal charges of our post-war Army involve. Meanwhile, I will confine myself to a brief explanation of the items composing the excess of Rupee fifteen and one fourth crores over the budget provision.

That provision, as I have just said, was Rs. 55 crores. In my budget speech last year I explained that the detailed grants working up to the total figure had not yet been definitely settled. The disturbed conditions which still prevailed in India and the



Middle East had rendered it equally impossible to obtain any clear assessment of our normal military liabilities in the future or to guarantee immediate reduction to any peace standard which it might be decided to adopt. I state then that the provision which we were adopting was the least which could safely be inserted in the budget, and I warned the Council that if the operations on the frontier should continue into the present year, the provision proposed would not suffice. As the members of this House are aware, the events of the year have most unfortunately justified the warning which I gave. Active operations continued in connection with the closing stages of the advance into the Mahsud country. Further, as announced in August by His Excellency the Viceroy it was decided with the approval of His Majesty's Government that our military forces should remain in occupation of Central Waziristan. Finally, in November a new and unforeseen military liability was imposed upon us in the shape of fresh military operations in Southern Waziristan as a result of the hostile activities of the Wana Wazirs. The extra outlay arising out of this regrettable sequence of event was necessarily large ; it was equally unavoidable. We had in the first place to retain in service and provide for the ordinary charge, an account of the pay, rations, etc., of bodies of Indian troops additional to our contemplated post-war establishments, which would otherwise have been demobilised or disbanded. The second large item of cost is represented by the field service concessions which have inevitably to be granted while troops are engaged on active operations. To these must be added the cost of the auxiliary services, such as Transport and Medical, required for the maintenance of the fighting troops, and the cost of the construction and maintenance of roads, temporary buildings and defences in the field. The point which I wish to make to the Assembly is that while the total military expenditure has been 70 and one-third instead of 55 crores, there has been but a comparatively small excess over the budget figure on the ordinary expenditure of the Army. An analysis shows that of the excess of 15 and one-fourth crores 12 were due to the war operations referred to, or to the delay in demobilisation to post-war strength necessitated by those operations, 2 and half crores were due to arrear payments in England on account of stores. We were, therefore, on the whole, successful in keeping the ordinary expenditure on the Army within the original estimate. I have only one remark to add ; but it is an important one.

I desire to remove once and for all the impression which still appears to prevail in many quarters that our military expenditure is swollen by charges on account of the Indian troops employed



overseas in Mesopotamia, Palestine, East Persia and other places. The impression is entirely erroneous. Every item of expenditure involved by the employment of these troops overseas is borne by His Majesty's Government. Under the arrangements laid down by the Government of India, His Majesty's Government pay not only all the effective charges of these troops while they are out of India but also pay the cost of their depots in India, the cost of the leave granted to such troops when they return to India and a proportionate share of the cost of the administrative services of the Army in India together with a proportionate share of non-effective charges.

The net effect of all these variations, both civil and military, is shown below :

				(Crores.)
Customs revenue more	...	...	plus 7'3	
Railways (inclusive of adjustment for exchange)				
worse	...	...		—7'6
Income-tax revenue	{	Excess profits	1'5	plus 3'9
more		Super tax	1	
		Income tax	1'5	
Military expenditure more	...	...		—15'2
Profit on wheat purchases	...	...	plus '9	
Exchange charged to non-commercial revenue				
heads	...	...		— 2'6
Paper Currency Reserve interest less	...	...		—1
Interest charges on debt more	...	...		—2'5
Land revenue less	...	...		—1'4
Opium revenue less	...	...		—'8
Net revenue from Posts and Telegraphs less	...	...		—'8
Other variations, representing mainly increases				
in civil expenditure	...	...		—2'5
Net variation from budget				—22 3

The House will be able to draw the obvious moral from the figures which I have just given of the excess of expenditure over revenue in the current year. Members will perhaps recollect that the deficit in the previous financial year, 1919-20, was Rs. 23 crores, due, I need hardly say, entirely to the Afghan War, and that in 1918-19 the deficit was Rs. 6 crores. These deficits, including that of the current year, have been, or are being, met either by increasing our floating debt, *i.e.*, by issuing fresh treasury bills to the public, or by issuing fresh currency notes against the security of



treasury bills created *ad hoc*, i.e., against our own I. O. Us. I feel confident that the House will agree with me that it is impossible to allow this process to proceed further. The path which the necessities of the war, and the chaotic condition of the world's trade and exchanges which followed the termination of the war, have forced us to tread, in common with all other countries though fortunately to a smaller extent, is a broad and easy one, but, if followed continuously, can only lead to national bankruptcy. Certain of the countries of the world have slipped so far down the hill of financial demoralisation that it needed the International Conference at Brussels to emphasise this elementary fact. It is true that India has sinned less than most other countries ; it is also true that our recent deficits have in the main been due to war or warlike operations on our frontiers. But the fact remains that we have been outspending our income, and unless we take early steps to make both ends meet we shall assuredly find sooner or later that, with our revenues mortgaged and our credit impaired, not only will there be no money for the development, moral and material, which India so greatly needs, but it will even be difficult to carry on the administration at its present level of efficiency. To retrace one's steps uphill is never a pleasant process, but it is a process which is determined to set its finances in order. I lay down two propositions as elemental and essential. In the first place we must either by decreasing our expenditure, or by a combination of both measures, make our accounts balance. In the next place, in so far as we are not able to fund our floating debt or a reasonable portion of our fiduciary note issue in our long-term loans we must also direct our financial policy in such a way as to replace from revenue the deficits which we have been financing by the expedients which I have mentioned. For, camouflage the situation how it may, no country can continue indefinitely to live on its overdrafts ; even worse is it to attempt to paper over the chasm between revenue and expenditure by the simple process of printing currency notes.

There is still something more to be said if I am to give the House a full and complete idea of our real position. In the first place, there is the effect upon central revenues of the Reforms system of finance ; Honourable members will be able to gauge this effect when I mention that if the new classification, which is to come into force on April 1st next, had been in existence in the current year, then according to the budget estimates of revenue and expenditure the Provinces, after paying to the Central Government the contributions fixed by Parliament, would have had in the aggregate about 11 crores more revenue at their disposal, and, therefore, the Central Government 11 crores less. I do not wish to draw a picture of the



Provincial Governments luxuriating in newly found riches; the extra revenues which they are about to receive have been, in the case of most Provinces, to a large extent already hypothecated to the financing of the wholesale revisions of pay of all establishments and particularly subordinate establishments, which have been sanctioned during the past two years. My point is that, but for the new financial arrangements, those increase of pay could not have been financed at all, and it is upon central revenues, therefore, that the burden of doing so has really fallen.

Secondly, although no specified programme of reduction has been laid down, we are committed to the progressive reduction of the provincial contributions—an undefined but none the less certain liability on central revenues. The third point is rather more technical, but I will endeavour to describe it shortly. Certain of our gains or losses by exchange are credited or debited as the case may be to the revenue account. (I have mentioned above that in the current year the direct debit to the exchange head will be slightly over two and one-fourth crores, besides which a sum of one and one fourth crores will be charged to the commercial heads). Such revenue credits or debits do not, however, cover the whole field of our exchange gains or losses. During the course of each year our balances are continually being remitted one way or the other by what are called our "remittance" transactions (*e. g.*, Council Bills, Reverse Councils, recovery in London of expenditure incurred by us in India on behalf of the Home Government, and other similar transactions.) In all transactions there is a real gain or loss. During 1919-20 there was, on the whole, a gain; this was not credited to revenue but remained in suspense, the final credit outstanding at the end of the year being 5 crores. During the current year, however, the net loss, other than the loss which has been met from revenue or has been debited to our capital accounts, has been 23·5 crores and the net result is that during the year we shall actually have had to find from our balances about 18 crores. Sooner or later that suspense head must be cleared and save in so far as it may not be cleared by the accrual of direct gains in future years, it can only be cleared by appropriations from revenue. I do not propose any specific appropriation from revenue in the current year (over and above the loss on exchange which the revenue account already has to bear), because it serves no useful purpose to make a paper appropriation in a year which is already deficit; nor, for reasons which will be fully obvious to honorable members by the time I have finished this speech do I propose any specific appropriation in the coming year. But the fact that we have this uncleared head, and are committed to reduce the



provincial contributions must be borne in mind in discussing India's general financial position and the various liabilities which the revenues of the country will sooner or later have to bear. The problems which we shall have to face are not solely due to temporary and transient causes, such as the Afghan War or other military operations on the Frontier.

### Revenue & Expenditure

I have dealt with the past; now for the stage of the case at which the Assembly will take up its responsibilities, I mean the finances of the coming year.

I estimate that the expenditure next year, chargeable to Central Revenues, will be 129 crores, against a revenue, on the basis of existing taxation and including the provincial contributions of 983 lakhs, which will amount to one-hundred and ten-half crores. I will give an explanation, as brief as possible, of the estimates which I have taken under the principal heads of revenue.

I have already mentioned the abnormal situation in respect of imports, which has resulted in an inflated Customs revenue during the current year, namely 33 crores as against a budget of twenty-five and half. We must certainly expect a serious slump before long, but the fact that it is quite impossible to gauge either its extent or the time when it will occur makes estimating difficult, and in taking a gross Customs revenue next year of thirty-quarter crores I feel that I am going as high as safety allows.

The next important factor is the Railways. Here while the gross traffic receipts have been steadily increasing, working expenses have increased at a far greater rate, and our net receipts for the past two or three years have been steadily diminishing. After taking a very liberal estimate of 87 crores for gross traffic receipts and nearly 60 crores for working expenses [inclusive of payment of surplus profits] I estimate net receipts of about 27 crores as against 26 expected in the current year and thirty one and half actually received in 1919-20. We estimate gross receipts from TAXES ON INCOME of about eighteen and half crores inclusive of assignments from provincial Governments in respect of their share of income-tax revenue; we have allowed for a reasonable amount of growth in revenue but have been obliged to make some allowance for the present trade depression.

As for expenditure, I need hardly assure the House that, in view of the deficit we have anyhow to face, we are making provision for ordinary civil expenditure on the lowest possible scale. I have been obliged to ask those of my Honourable Colleagues who are in charge of the spending departments to forego new expenditure on objects which I know they have much at heart, and I am sure they will bear witness to the ruthless pruning to which their own budget estimates have been subjected by my Department. I can only express my gratitude to them for agreeing to postpone, perhaps against their better judgment, the many schemes for which they had asked for funds. I knew the misgivings they feel as regards the effect which some of these economies will have upon the efficient working of their departments.

But while we have avoided all fresh civil expenditure as far as this was humanly possible, there are two items for which it was necessary to make some provision, and which require some explanation. I feel very strongly that the time has come when, whether convenient or not we must no longer delay making some provision, for meeting our heavy war indebtedness. As the House knows, we have a large amount of War Bonds maturing between



now and 1930, all of which will have to be met on maturity and for which we have provided no sinking fund. Our policy so far has been to endeavour to fund in one or other of our longer loans as much of this short-term debt as possible, and also a portion of our outstanding Treasury Bills (the amount of which is much too high for safety) and to trust to the ways and means resources of the time to meet the remainder of such bonds as they fall due. Unfortunately, owing to the large amounts which we have been obliged to borrow, both our long-term loans, namely, the 5 per cent. loan of 1929-47 and the 5 per cent. income-tax free loan of 1945-55, are now at a very large discount, and if we are to get any substantial portion of our War Bonds and Treasury Bills converted into these longer loans it is imperative that we should do our best to rehabilitate them. That is one consideration; another is the obvious desirability of providing for the amortising of these two longer loans when they fall due, instead of leaving the entire burden to our successors. Each of these two loans has what is called a "depreciation" fund of 1 & half per cent of the total issue of the loan, which is used each year to purchase and cancel scrip. These funds, however, are insufficient to amortise the two loans completely by maturity, nor are they large enough for the annual purchases to make an appreciable impression upon the popularity of the loans. I propose therefore, with effect from next year, to set aside a further sum of 80 lakhs, to be devoted to supplementing these two depreciation funds. The result should be to enable us to amortise these loans by maturity. I do not think I need say more in justification of this proposal; I feel that I ought rather to apologise for its meagreness. The position is one which must be viewed with all seriousness; we ought really to set apart from revenue some provision for the direct repayment of our short-term bonds, the repayment of which handicaps us in providing funds for railways and other capital purposes. It is only because I do not wish to add to the difficult problems which the House already has to face in the way of finding additional resources that I refrain from proposing much more heroic measure.

I know that there is a feeling in the country that something should be done for the holders of our three and three and half per cent paper, large numbers of whom are people of very moderate means, whose holdings have suffered serious depreciation owing to the raising of large loans in recent years at increasingly high rates of interest. I regret that I do not see how any concession can at present be made to these people, with due regard to the higher interests of the tax-payer. Assuming, as I think the House will agree we must, that we can afford no more than the sum I have mentioned for the purpose of rehabilitating our credit, then the question is one as to the way in which that sum can be spent to the best advantage. If devoted to the granting of some concession to the holders of three and three and-half per cent paper, its effect in assisting the country to meet the many financial difficulties in front of it will be negligible. If spent in improving the position of these two terminable loans, and in helping to provide for their repayment on maturity, its effect should be material.

The other item of expenditure which I must mention is the entry of 542 lakhs for the adjustment on account of exchange, of which 328 lakhs are shown against the head "exchange", and the balance is distributed among the commercial heads. I have already explained the nature of this entry in my remarks regarding the corresponding item in the current year's accounts, and I need only add here that this loss is based on an average rate of exchange for next year of 1s. 8d. He would be a very rash person who would make any prophecy as regards the course of exchange next year. But it is necessary for the purpose of the budget programme to make some rough assumption as to the



level at which exchange is likely to stand, taking the coming year as a whole. All I can say, and I hesitate to commit myself even to this, is that present probabilities point to exchange remaining low during the first half of the year, but that, if we have a good monsoon, then it is not unlikely that there will be a substantial recovery during the second half. If the average rate works out eventually at less than 1s. 8d., then I fear that the deficit will be still further increased. If, on the other hand, the average rate is higher, then, for reasons which I hope will be clear from what I have said regarding the necessity for replacing some of the losses which have so far been met by issuing Treasury Bills, I do not think we should make any deductions in the debit revenue; in other words, I propose that we should commit ourselves to a definite appropriation of a minimum amount of 5·42 crores on account of exchange.

I have left to the last the item which looms largest in our expenditure heads—the provision for Defence. The budget provision for next year has been taken at 62·20 crores. I divide this for the present purpose into ordinary and extraordinary expenditure. It is not proper that we should leave to chance, or in other words should meet from overdrafts, military expenditure which we know to be inevitable. We cannot budget for war, but we ought not to exclude from our budget items to which we are definitely committed, even though they are not of a permanent nature. For this reason I have included 4 crores of extraordinary expenditure, 3 crores representing the continuance of the special expenditure entailed by the occupation of Central Waziristan and 1 crore representing a provision for another special liability, namely, the grant of compensatory concessions to troops disbanded under certain proposals for reduction of establishments which I shall mention later. If there are any savings in such extraordinary provision, they will not be available for increasing the ordinary military budget, but will go towards the general surplus. The balance, 58·20 crores, represents the provision required in 1921-22 for the ordinary charges of the Army in India. The figures for military expenditure will, I hope, be justified to this House by His Excellency the Army Member. Meanwhile it is proper that I should inform the House what this figure of 58·20 crores represents. When we budgeted last year, we had no standard or accepted strength of the army or its attached services. The pre-war standards had gone by the board; nor were the conditions on the frontier and elsewhere then ripe for the drawing up of a definite scheme of post-war strength either of combatant or attached services. We have been busily engaged on this problem ever since; it is a problem on which not only the Army but the civil portion of the Executive Government has bestowed anxious and unremitting labour. I doubt if there has ever been a time in the past when military expenditure and the policy underlying it has been subject to a more complete and drastic scrutiny. The actual combatant strength for the post-war Army at which we arrived last summer is actually somewhat lower than that of 1913-14. It is for that strength that we have provided in the budget, and it is because there will be no inconsiderable reduction of personnel under this scheme that I have found it necessary to make a provision for the grant of concessions to troops which will be disbanded. While, however, we are reducing combatant strength, reduction of expenditure on this score is counterbalanced to some extent by increases in other direction. We have firstly the creation of new services such as the Royal Air Force and Mechanical Transport, and secondly developments and organization required for the purpose of securing a proportion which the present day military opinion considers essential as between the auxiliary services of the Army and the fighting troops. I need not say that the provision made is entirely for our own troops. There is nothing in our budget for troops maintained for



overseas garrisons or warlike operations overseas, nor for depots necessary to maintain their strength ; but it will be no secret to the House that the rate of cost of Army services has risen ever since last year and the effect of this on the budget of 1921-22 is reflected in the fact that we have had to provide a sum of no less than 129 lakhs to cover the cost of certain recommendations of the Esher Committee for enhancing the pay and amenities of our troops, of which 83 lakhs will be spent on the Indian officer and soldier. We have also had to provide for the grant of certain allowances to British soldiers recently authorised by His Majesty's Government for British soldiers in general.

The total of 58·20 crores at which we have arrived and which is based as I have said on the post-war strength arrived at last summer represents the minimum sum which we have been able to put forward ; I may say that the military authorities originally pressed for and have been denied a very much higher figure than that now placed in the budget. I freely admit that that figure even so is a much higher one than the Government of India can contemplate with equanimity on financial grounds. But we have arrived at the definite conclusion that it was impossible to take a lower figure without a further considerable reduction of establishments, both in the fighting units and in the auxiliary services. There were two obstacles to making such reductions. It must be remembered that the responsibility for the safety of India rests on His Majesty's Government no less than on ourselves. It is His Majesty's Government which would come to our assistance with the Imperial Forces if we were hard-pressed in this country, and that Government could not be prepared, without the most careful examination, to agree that in the present state of affairs in Central Asia, with matters standing as they do between ourselves and our immediate neighbour on the North-West, and indeed in view of certain factors within India itself, a further reduction of our fighting forces is justifiable. In the second place, it must be noted, that with regard to British troops at all events we are in a semi-contractual relation with His Majesty's Government which cannot be terminated at short notice. His Majesty's Government have made it clear to us and we have been obliged to accept that conclusion as reasonable that they could not be expected to bear the cost of British troops transferred at short notice from the Indian to the Home establishment. To meet both these obligations it has now been decided by His Majesty's Government that an investigation shall at once be undertaken regarding the combatant strength of the Army in India by a Sub-Committee of the Committee of Imperial Defence. The Home Government has agreed that before we forward to London the material for which we have been asked in this connection, the matter shall be dealt with by a Committee of the Executive Council, on which, of course, some of my Indian colleagues will sit with power to take evidence including that of non-officials. That is how the matter now stands. I ask the House to take it from one who feels no less concern than they must do at this steady growth of our military expenditure, from one whose every instinct has been to seek economy in this respect, that no effort has been spared, that no avenue has been left unexplored in order to keep the budget figure of the present year within its lowest bounds. Let me further assure the House that the financial authorities have, in the past year, made every effort so to reorganise the machinery which deals with the finances of the Army that they may have in their hands the very fullest powers of control. Among other measures, a body of expert accountants from one of the leading firms in England is now touring India with the object of introducing in all Army supply departments a system of commercial costing accounts such as was adopted with excellent results in the United Kingdom during the Great War ; and finally we have endeavoured



to fulfil our obligations towards this House by presenting the army estimates for 1921-22 in a new form. Though the military grant is not itself votable, we have thought it right to give the complete details both of strength and cost following in this respect the form adopted by His Majesty's Government on the recommendations of the Select Parliamentary Committee on National expenditure. I hope that the Assembly will appreciate the great advance that this represents.

Taking now all the items of expenditure together, they will amount, as I have said, to 129 crores leaving on our estimates a deficit of Rs. 18 crores. I think our financial arrangements should be directed to obtaining a surplus of not much less than Re. 1 crore. That was the surplus at which former Finance Members have always endeavoured to aim, and at the present time, when it is by no means certain that we have got to the end of increased expenditure in regard to the pay of the lower grades of public servants, and when moreover there are so many elements of uncertainty in the revenue outlook for next year, I feel that the dictates of ordinary prudence render it all the more necessary not to unduly diminish this margin. The total new resources, which it will be necessary to find, will thus amount to slightly above Rs. 19 crores.

Before I proceed to explain the measures of increased taxation which I propose in order to produce the above sum, I must anticipate a question which, I think, may have arisen in the minds of many honourable members. I can imagine a member, who has done me the honour to follow what I have already said, putting the case to himself somewhat as follows: "I realise that the new classification of revenue and expenditure under the Reforms Scheme had resulted in the revenues assigned to the Central Government falling considerably short of the expenditure which those revenues have to bear. I was under the impression, however that in order to make good that deficit, Parliament on the Report of the Meston Committee decided that contributions amounting to nearly 10 crores should be taken from the provinces. Why then this sudden and large deterioration in the position of the Central Government?" Some of my preceding remarks will already have suggested to the House the explanation for this deterioration in the outlook as appreciated by everyone a year ago. It will probably, however, be useful to members if I summarise briefly the principal variations which have led to it. I have mentioned that the deficit to be faced next year is 18.5 crores. Omitting the estimated expenditure necessitated by the occupation of Waziristan and by demobilisation concessions the net deterioration in the position as envisaged by the Meston Committee is about 14 crores. This is the resultant of the following factors:—

Crores.

- (i) Loss of interest receipts following to the earmarking of interest of Paper Currency Reserve investments to the discharge of Treasury Bills issued to the Reserve to cover the loss from revaluation of sterling holdings in it.
- (ii) Falling off in net revenue from Railways and Posts and Telegraphs (which may be taken as representing mainly the cost of increases of pay of superior and subordinate staff.
- (iii) Increase in interest charges (while formerly the bulk of our investments of the Paper Currency Reserve was in British Treasury Bills, on which

3.1



	we received interest, the bulk of investments now is in the form of Indian Bills, the interest on which is earmarked for a definite purpose).	2'5
(iv)	Loss by exchange on expenditure on revenue account in England (inclusive of expenditure on commercial services) owing to exchange falling below 2s.	5'4
(v)	Increase in military expenditure (present estimate exclusive of special expenditure referred to above is Rs. 58'2 crores against Rs. 55'2 crores adopted by the Meston Committee).	3
(vi)	Loss of net opium revenue (demand for our opium has recently declined).	'7
(vii)	Constitution of sinking fund for our long term loans.	'8
		<hr/> 22'5
	Partly set off by increase in Customs and Income-tax revenue and other minor variations.	8'5
		<hr/>

14 crores

I think that it is fair to say that no one who considered the matter a year ago could have had any reason to apprehend any such deterioration in the position. The developments which have led thereto have in the main arisen within the past 9 or 10 months ; I refer more particularly to the fall in exchange and to the enormous increases in pay which circumstances have since then forced on us. I do not imply that those who thought about the matter were entirely confident that the anticipations upon which the Meston Report was based would be fully realised ; but most people were probably moved by two important considerations. In the first place, there was the obvious necessity, in the interests of the success of the Reforms Scheme, to give the new Provincial Governments as generous a start as possible. Secondly, it was a commonplace that the heads of revenue retained by the Central Government were mainly, not only heads of growing revenue, but also those in respect of which there was undoubtedly a substantial margin for increased taxation, which was much less the case with the heads of revenue given over to the provinces.

#### Proposals for Additional Taxation

We have now to obtain from central revenues an additional sum of 19 crores. The first additional source of revenue available is Customs. I think that the House will agree that the existing tariff heads are such that, in the case of most articles both the trader and the consumer undoubtedly bear some increase. The tariff proposals to which I shall ask this House to agree, and which are contained in the Finance Bill which I shall ask your leave, Sir, to introduce this morning, are as follows:

In the first place, we propose to increase the general *ad valorem* duty of 7'5 per cent. to 11 per cent, except in the case



of matches and of certain articles of luxury which I shall mention later, but inclusive of cotton manufactures. I estimate that this measure will produce an additional revenue of Rs. 284 lakhs. We do not propose any increase in the existing cotton exercise of 3·5 per cent. In view of the previous discussions upon this matter, which must be well-known to all honourable members, we felt it our duty to make a previous reference on the subject to His Majesty's Government. We did not, indeed, anticipate that there would be any question of vetoing our proposals, for in view of what the Secretary of State said in the House of Commons when the Government of India Bill was under discussion, and also of the recommendations made in the Joint Select Committee's Report, that in fiscal measures such as this the views of the Government of India if they succeed in carrying with them the approval of the Indian Legislature, should be entitled to prevail. We felt, however that, in view of the very great trade depression in England, which is far worse than anything which now obtains in India, it would not only be desirable, but our duty, to make clear to His Majesty's Government on behalf of India, that our proposals for increasing the import duty on cotton goods, among other articles subject to the general tariff, had the sole object of producing additional revenue and had no ulterior motive of a protective or any other kind. Nay, I will go further and say that it would ill-become this country, at a time when the senior partner of the Empire, upon whom fell by far the severest burden of the war, both in blood and money, is anxiously endeavouring to face the most acute problems of unemployment and trade distress, to requite the services which Great Britain has rendered to the rest of the Empire, including India, by taking the first opportunity to introduce a measure of protection against her manufactures. We made it clear therefore that it is solely our financial necessities, and no new departure of fiscal policy, which have obliged us to propose to the legislature this particular measure. We trust that our fellow-subjects in the United Kingdom will appreciate this and will acquit the Indian Government and legislature of any desire to use their newly conferred liberty of action to injure the country which only a year ago conferred that liberty upon them. It would, indeed, be manifestly impossible for this Government to initiate any fundamental departure in fiscal policy at the present juncture. At present our tariff is purely a revenue-producing tariff which, whatever may be its effects here and there on any particular trade, is admittedly not devised with any object other than that of revenue. We feel confident that not only this House, but also the country at large, would hesitate, and very properly hesitate, to commit themselves to



any fundamental departure until the whole question of India's fiscal policy has been thoroughly and exhaustively examined by a competent and impartial body. We feel, however, that the time has now come when that examination should be begun; we feel further that this examination should not be confined to India's own fiscal needs, but should embrace an enquiry into the steps which India can take in order to recognise her fiscal obligations to the other members of the Empire of which she is a part. We have been in correspondence with the Secretary of State and an announcement on the subject has been made this morning.

I do not propose to obtain any increased revenue from the articles now dutiable at 2-half per cent *ad valorem*. The principal of these are machinery, metals and railway plant, and the House will probably agree that in the interests of India's industrial development increased taxation on these articles is undesirable.

In view of my proposal to raise the general *ad valorem* rate from 7'5 to 11 per cent, while leaving the cotton excise duty at its present figure, 3'5 per cent., I propose to withdraw the concession allowed by the existing tariff by which machinery and stores imported for use in a cotton spinning or weaving mill are admitted free of import duty. I propose that such articles—they are detailed in items 17, 18 19 and 27 of the import tariff schedule—should now be subject to the appropriate duty under the revised schedule. Most of them, certainly most of the important articles, will be liable to duty at 2'5 per cent. I think that honourable members will agree that the removal of this concession is reasonable. The concession was granted when an excise duty was imposed on piece-goods made in this country equal to the duty on imported piece-goods. It was obviously unfair that the Indian millowners should be handicapped against the English manufacturer by having to pay not only this excise duty but also duty on the machinery and the stores which are required from the United Kingdom. But there is no material difference between the rate of the cotton excise duty and the rate which I propose on imported piece-goods, that it is no longer necessary to continue this concession. I estimate that the withdrawal of the concession will yield a sum of 10 lakhs of rupees. It will also be a great administrative convenience since the concession throws a great deal of extra work upon our customs staff.

The second Customs measure which we propose is the levy on matches of a specific import duty of 12 annas per gross boxes in place of the present *ad valorem* duty of 7'5 per cent. This rate would work out to one pie per box of matches, and if, as I hope, there is no substantial decrease of consumption as a result, I estimate



the additional revenue at Rs. 1'10 lakhs. I may point out to the House that the duty in the United Kingdom is 5s. 2d. per gross boxes, while in many other countries it is considerably higher.

Thirdly, we propose to increase the duties on imported liquors as follows :—

	Present duty.			Proposed duty.		
	Rs.	A.	P.	Rs.	A.	P.
Ale, beer, cider, etc., per gallon	...	0	4·5	0	0	6·5
Liquors, untested, per gallon	...	14	10	0	25	0
Liquors, tested, per proof gallon	...	11	4	0	18	12
Perfumed spirits, per gallon	...	11	12	0	30	0
All other spirits, per proof gallon	...	18	4	0	18	12
Wines—						
(a) Sparkling per gallon	...	4	6	0	9	0
(b) Other sorts per gallon	...	1	12	0	4	8

The new rates work out to exactly 3 annas per degree of proof per gallon. I do not propose that we should raise the 7·5 per cent duty on denatured spirits which are used in several forms of industry. Allowing for some reduction in import as a result of the higher duty, I estimate that the above increases will yield additional revenue to the extent of 94 lakhs.

These duties as raised will still be substantially lower than the duties levied in the United Kingdom. We have come to the conclusion, however, that, for the present, any attempt to go substantially higher would probably not yield any further revenue and might in fact yield less. I may remind the House that the present high scale of duties on alcohol in the United Kingdom was not arrived at *per saltum* but worked up to by a series of increases spread over a number of years.

The fourth measure is the raising of the general *ad valorem* duty of 7·5 per cent to 20 per cent. in the case of certain articles of luxury, such as motor cars, motor cycles and tyres (excluding lorries), silk piece-goods, fireworks, umbrellas, clocks and watches, musical instruments, cinematograph films, etc., a full list of which is given in the Finance Bill which I shall shortly introduce. The additional revenue from this measure is estimated at Rs. 2'14 lakhs.

The fifth customs measure is the raising of the present import duty on foreign sugar from 10 to 15 per cent; I estimate the additional yield at 65 lakhs.

Sixthly—and this is the last of my tariff proposals—I propose that the duties on tobacco, other than unmanufactured tobacco, be increased by 50 per cent. In other words, I propose a duty of



Rs. 2-4 instead of Re. 1-8 per lb. on manufactured tobacco, and 75 per cent instead of 50 per cent. *ad valorem* on cigarettes and cigars. After making some allowance for a probable decrease in consumption next year, I estimate that this measure will produce an additional revenue of 40 lakhs.

Any proposal to enhance the tobacco duties usually raises the question of a tobacco excise. An excise duty on manufactured cigars has been considered from time to time, and has in the past been the subject of some discussion with the Secretary of State. On the last occasion it was held that an excise on cigars was undesirable as it would almost certainly damage the cigar industry in Madras, and involved, moreover, considerable practical difficulties in collection. We have again considered the matter but feel that we might possibly damage what is to a large extent a cottage industry, and a source of livelihood to many people in Southern India, and that in any case it is very doubtful whether in view of the amount likely to be obtained and of the practical difficulties in the way the matter is worth pursuing. I admit that there is much more to be said for an excise duty on machine-made cigarettes. The industry is prosperous and an excise duty of 8 annas per 1,000 cigarettes would probably bring in some 10 or 15 lakhs. In favour of the proposal it might also with considerable justice be urged that, if the duties on imported tobacco are increased by 50 per cent. while tobacco manufactured in India is left untouched, the whole of the increase will be borne by that small section of the populace which buys the imported article, and the rest of the tobacco users in India will escape altogether. I admit the force of this argument, and previous discussions have shown that the proposal, unlike that for an excise on cigars, is quite practicable. Our view, however, is that an excise tax on Indian made cigars being impracticable, an excise tax on Indian made cigarettes will be open to the objection that the poor man's smoke is being taxed and not that of the comparatively richer European or Indian whose smoke is an Indian cheroot.

I now come to the question of the income derived by the country from its immense and valuable railway estate. It is probably no news to the House that the net income from railways, after allowing for interest charges, has recently, in spite of a steady increase in gross traffic receipts, been decreasing. In the year before the war the net profit to the State, after defraying all interest charges and paying to the managing companies their share of the surplus profits, came to 7.19 crores. During the war working expenses were abnormally low, mainly owing to the fact that material for replacements and renewals could not be obtained from



abroad. In 1916-17, therefore, the net profit rose to 11.22 crores, and in 1917-18 and 1918-19 to 14.87 and 15.85 crores respectively. With the return of more normal conditions, the profit has considerably decreased ; in 1919-20 it fell to 9.35 crores, and in the current year it will probably be no more than 5.08 crores. On the basis of our estimates for next year, and assuming that no change be made in the rates, the profit would be only 4.09 crores. I submit therefore that, quite apart from our present financial necessities, a moderate increase of rates, particularly on goods traffic, the rates for which are mostly still on a pre-war basis, could be amply justified on business grounds. It is not possible, however to re-adjust the various rates in time enough to give us the money we need during the next financial year. In the case of goods rates it is a particularly cumbrous business and requires very careful consideration in consultation with our traffic experts and with the railway companies. We have asked the Railway Board to examine the matter carefully during the course of the next year in order to see what enhancements of rates are possible. Meanwhile, as a temporary measure, we propose to make a substantial increase in the surcharge on goods traffic which was imposed in 1917. The existing rates are 1 pie per maund on coal, coke and firewood and 2 pies on all other goods. We propose to substitute the following rates : (1) 6 pies per maund on coal, coke, firewood, food grains and fodder ; (2) 2 annas per maund on certain valuable commodities which can bear a high rate of tax, such as piece-goods, pressed cotton, jute and ironware, timber and oils ; (3) 1 anna per maund on all other articles of general merchandise not falling within those two categories. At present there is a free zone for goods carried 10 miles or less, which we propose to extend to 20 miles.

The existing surcharge is small and is probably not felt appreciably by the traffic. I fully recognise that any substantial increase must have a somewhat uneven incidence, as the surcharge has no reference to length of journey and its effect is practically the same as a terminal tax. The increase now proposed is therefore intended to be in temporary substitution for a general increase of goods rates. In the event of it being found possible before the end of the year to raise the latter to the necessary extent, such increases will be substituted next year for part or whole of the additional surcharge now to be imposed. We anticipate that the additional revenue so obtained will amount to approximately 5.5 crores.

The remarks which I have just made, regarding the justification, as a business proposition, for an increase in railway rates, apply with somewhat greater force in the case of our postal rates.



It has not hitherto been easy to say precisely what we are making or losing over the administration of our post offices, as our general accounts do not show as debits or credits to the Post Office certain items of expenditure and revenue which, if the accounts were kept on a strictly commercial basis, would appear therein; the administration report of the Department does, indeed, attempt to work out the profit and loss, but we cannot place too much reliance on the figures. (I hope to remedy this before long, as I have made arrangements with the firm of chartered accountants in London of whom I spoke above to over-haul our Post and Telegraph accounts.) Meanwhile, it is at any rate safe to say that our net revenue from the Post Office has been steadily diminishing, owing to the very large growth in working expenses mainly due to increased pay of the staff, and that next year the Postal Department will, unless the charges we make to the public for postal services are raised, actually be running at an appreciable loss. I propose the following measures:—

(1) Abolition of the half-anna postage for letters, the charges in future to be one anna for letters not exceeding two and half tolas in weight, and half an anna for every additional two and half tolas.

(2) Raising to half an anna the quarter-anna postcard.

(3) Rate for book, pattern and sample packets to be raised from half an anna for every 10 tolas to half an anna for every 5 tolas or fraction thereof.

(4) At present the initial rate is quarter anna for registered newspapers not exceeding 8 tolas in weight, and half anna for papers not exceeding 40 tolas. I propose that the maximum weight to be carried for a quarter of an anna be reduced to 5 tolas, and that for half an anna 20 tolas.

(5) I do not propose any revision in the parcel postage rates which were revised as recently as May 1919. It is true that if we raise the initial charge for the letter from half to one anna for two and half tolas, it is somewhat anomalous to carry a parcel not exceeding 20 tolas in weight for 2 annas; but in view of the revision made 18 months ago and of the fact that the matter is one of great importance to small industries, we believe that it would be a mistake to revise the parcel rates again so soon.

(6) Raising of rates of commission charged on inland money-orders to the level of those in force up to 1902.

The net result of the above measures will probably be an increased revenue of two and one-fourth crores. I fully appreciate the objections, which I know that the House will feel, to altering the present postal rates, and personally I shall be very sorry to see the pice postcard and the half-anna rate for letters abandoned. Cheap postal communications are of the highest importance.



country, and there is no doubt, that the fact that we have probably the cheapest postal service in the world has been of immense benefit in aiding the country's progress. Further, it might be argued that it is not fair to consider the postal service apart from the telegraph service, as the two form one Department. Owing to the fact that our inland telegraph rates are now decidedly high, having been deliberately raised in order to enable the Department to cope with the immensely increased traffic, it is possible that the combined Department may show some profit, though I should be willing to affirm this definitely until we get a true costing account. But the claim may be made in some quarters that, so long as we are not showing a proved loss on the combined Department, the justification on business grounds for raising the postal rates does not hold good. To such arguments I have only one reply and that is, financial necessity. Postal rates, as cheap as they are at present, are a luxury which the country can no longer afford.

The increases of taxation which I have so far mentioned should in the aggregate, if nothing untoward occurs, yield an additional revenue of 16 crores. To obtain the remainder it will be necessary, if we are to avoid an increase in the salt duty, to resort to increased direct taxation, namely, an increase in the present taxes on income. As regards ordinary income-tax, an examination of the figures shows that, even if it were not undesirable to do so, we should not obtain much additional revenue by raising the present rates of tax on the smaller incomes. We propose, therefore, to leave the lower grades of income tax alone, and to increase the upper grades so as to work up to a maximum of 16 pies instead of 12 pies as at present. The result will be to increase substantially the tax, on companies' dividends, for under the income-tax law the tax is levied on dividends; at the maximum rate, subject to certain refunds. I am afraid it would not be practicable, however, to give any concession to companies, for it is from the latter that most of our income-tax proceeds is realised. As regards super-tax on individuals we propose to increase the rates on the higher grades of income so as to work up to a maximum of 4 annas in the rupee on any excess over 3.5 lakhs of income. The Finance Bill, which will be in Members' hand this morning, will show the exact scale of the new grading. We estimate that the increases in income-tax and super-tax combined will yield a total additional revenue of three-quarter crores.

The total yield of the additional taxation which I have proposed will amount to Rs. 19.17 lakhs, the deficit of Rs. Eighteen and one-third lakhs in 1921-22 being thus converted into a surplus of 84 lakhs. While my other proposals, if accepted by the Legislature will have effect from the 1st April, the revision of the Customs tariff will come



into force from to-day, and the additional revenue during the current year which is estimated at Rs. 70 lakhs will go to reduce to that extent the deficit of eleven three-fourth crores which we anticipate in the current year.

## **Ways and Means.**

### **(A) Current Year**

There are many Members of the House who will no doubt consider the statement of our revenue position and our proposals for taxation as of primary importance. But, I must, in the interests of those who desire to appreciate the whole financial position, detain the House while I refer to our ways and means position and to our capital expenditure. First, as to the current year. Very briefly, the position in the current year, taking the figures on a 2s. basis, is that we anticipated that we would have to meet liabilities, either in India or in England, to the extent of slightly over 46 crores, of which the most important were a railway capital expenditure of 19 crores (after allowing for a gain of 3·5 crores from exchange), nineteen and one fourth crores for repayment of the 1920 War Bonds, and drawings by the provinces upon their balances to the extent of 6 crores. We expected to finance this by drawing on our opening balance to the extent of 12 crores, raising a loan in India of 15 crores, a credit of 10·5 crores from the disposal of war stores and another of 8 crores from exchange gains, and various miscellaneous receipts aggregating about 11 crores in all. We hoped that these resources would not only be sufficient, but more than sufficient, to meet the above mentioned liabilities, and that we should be able to reduce our floating debt, in the shape of treasury bills issued to the public, by some 10·5 crores.

Actually, our liabilities have amounted to 96 crores; our railway capital expenditure has been some 25 crores (owing to the difference in the rate of exchange at which the sterling outlay will now be brought to a count), and, further, we have discharged not only the whole of the 1920 War Bonds, but some 9 crores of the 1921 Bonds which were accepted in payment of the 6 per cent loan issued this year. In addition to what may be called the above more or less normal transactions, we have, however, had to finance from our ways and means resources a heavy loss due to the sales of Reverse Councils. In order to meet the Reverse Councils sold by us, which since the 1st April have amounted to £31 million, the Secretary of State has had to withdraw and realise a large amount of the sterling securities held in the Paper Currency Reserve. These were of course originally valued on a 1s. 4d. basis, and the net result has been a loss of some 17 crores in the course of the current year; added to which, a further loss of 2·5 crores resulted from our selling



Reverse Councils at a rate above 2s. These and other losses which have resulted from our remittance transactions are at present held in suspense, but as I have already mentioned, will sooner or later, except in so far as they may be reduced by a demand for Councils at above 2s., have to be met from revenue. As already stated, the Imperial surplus of 2 crores anticipated in the budget has been converted into a deficit of 11 crores. Even therefore, with large increase over the expected loan receipts (30 crores against 15), our resources have fallen considerably short of our requirements, and we have been obliged to resort to the temporary expedient of supplying the gap by a further issue of currency notes backed only by our own securities, viz., treasury bills created *ad hoc*. This issue of unbacked notes has during the current year so far been to the extent of thirty two and three-fourth crores apart from the issue of 18½ crores made in October last in accordance with the recent Paper Currency Legislation to cover the deficiency in the revaluation of sterling holdings in the Reserve, which does not however affect our ways and means position. On the other hand, I hope that by the end of the year we shall have reduced the amount of treasury bills outstanding in the hands of public from 43 crores at the beginning of the year to 37½ crores.

Altogether, then, the ways and means operations of the year may be summarised as follows :

<i>Liabilities.</i>	Crores
(1) Railway capital outlay (inclusive of exchange) ...	25·5
(2) Delhi capital outlay (inclusive of exchange) ...	1·2
(2) Irrigation capital outlay (inclusive of exchange) ...	·7
(4) Discharge of debt ...	28·3
(5) Discharge of railway debentures ...	·5
(6) Imperial deficit ...	11·1
(7) Discharge of treasury bills issued to the public ...	5·2
(8) Exchange loss on remittance transactions, gold transactions, etc. ...	23·5
(9) Miscellaneous items ...	·2
Total	96·2

which have been met as follows:

(1) Reduction of cash balances ...	14·7
(2) Rupee loan in India ...	29·8
(3) Issue of treasury bills to Paper Currency Reserve ...	32·8
(4) Net Receipts from Savings Bank deposits and cash certificates ...	3·2



(5) Credits under the War Stores suspense account	...	14'1
(6) Provincial surplus	... ..	1'4

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Total... 96'2

The above summary refers of course to our ways and means position as a whole, *i.e.*, in India and England combined, and omits remittance transactions which merely effect the transfer of our balances from India to England, or *vice versa*. As regards our balances in England, I have already referred to the extent to which the Secretary of State has had to draw on the sterling securities in the Paper Currency Reserve in order to meet our sales of Reverse Councils. The extent to which we had to have resort to the Currency Reserve was, however, £2 million less than the Reverse Councils and gold purchases for which he had to pay; the remainder together with his other outgoings, *i.e.*, our ordinary home charges, he has been able to meet by means of his recoveries from the Home Government in respect of our rupee expenditure on their behalf, the total amount of such recoveries during the current year being probably about £53 million.

#### (B) Next Year

I now turn to our capital liabilities and probable assets for next year. Our first important liability is the discharge of the 1921 war bonds for which we have to find fifteen and three-fourth crores, and there is an undischarged balance of about half crore of the current year's loan for which it is necessary to make provision. Secondly, although under the Reforms Scheme irrigation is entirely a provincial subject, several provinces will need to borrow from us in order to finance the irrigation projects now in progress; some of them have also asked for loans to cover various items of *quasi*-capital expenditure. These latter we have been obliged to restrict substantially, but in the net we have undertaken to make provision for loans, including those required for irrigation purposes aggregating a crore and three-quarters. Thirdly, the provinces expect to draw on their balances with us to the extent of 6'5 crores. These three liabilities, therefore, amount to twenty four and one-fourth crores.

Before I consider our further liabilities such as the amount to be allotted for the railway capital programme, for capital expenditure on New Delhi, and for certain other purposes, it will be convenient if I turn for a moment to the question of what provision we shall enter for our own rupee loan. We are budgeting for a rupee loan in India of 15 crores. I hope that we shall get more, but as I shall show presently, any such excess should, I think, not



be taken into our present calculations, but earmarked for a purpose which I shall mention. As regards the amount we are likely to obtain, I cannot of course say anything here, as to the terms which we shall offer. We have to remember that we have been working the Indian money market assiduously for a number of years and have raised sums far beyond the dreams of pre-war financiers. We have been enabled to do this, partly, as a result of public patriotism and of energetic propaganda during the war itself, and partly, and I think to a greater extent, owing to the very great trade prosperity which the war brought to India. Nevertheless, we have had gradually to advance our rate of interest. In 1914 we were borrowing on a 3·5 per cent basis; we have in successive years had to offer 4 per cent, 5 per cent, 5·5 per cent income-tax free for short-term loans, and in the current year we were obliged to offer 6 per cent, income-tax free. Further, various Provincial Governments will probably be competing with us in the market; one of them indeed has already done so with considerable success. I do not wish to strike an undue note of pessimism here, but the House will probably agree that there is an obvious limit to the extent to which we can go on depreciating our credit. We have already suffered considerable loss of money power by the very heavy depreciation in the price of our main securities. Further, we have seen the end of the big trade boom, and there are unmistakable signs of our having already entered upon that period of trade depression which always characterises a transition from higher to lower prices. Altogether, I do not think it would be right to expect that we can hope to raise anything like the large sums which we succeed in raising during several of the war years.

We have, I need hardly say, also turned our attention to the feasibility of raising a sterling loan in the London market. Hon. members are probably aware of the conditions obtaining in England, and will understand the practical difficulties in the way of our raising a substantial sterling loan; nevertheless, we hope the Secretary of State will be able to effect something in this direction, and we are accordingly budgeting for a sterling loan of £5 millions.

I now turn to our remaining liabilities. I do not think I need lay stress on the necessity for freeing ourselves as early as possible from the embarrassments which follow from the present volume of our floating debt and from an inflated currency. Nevertheless, in view of the necessity for finding what money we can for the railway programme we here felt unable for the present to make any specific provision for a reduction in our floating debt, or for the cancellation of the treasury bills held in the Paper Currency Reserve, save in so far as this is automatically provided for by the Indian Paper



Currency (Amendment) Act XLV of 1920. I am afraid that some of our financial critics will place their finger upon this meagre provision as being a weak point in our ways and means budget. We propose, however, should the rupee loan bring in more than the 15 crores budgeted for, to devote such excess to the purpose of making a further reduction in our floating debt or of the deflation of the currency. I feel very strongly that these objects have the first call upon any surplus assets that the operations of next year may give rise to. I have already spoken at some length on the urgent necessity for taking early steps to rehabilitate our financial position. I will only add here that in my opinion the interests of the country will be best served by our concentrating our energies upon freeing ourselves as soon as possible from the financial embarrassments which are a legacy of the war. The sooner we do this, the sooner will our hands be free to make additional funds available for purposes of railway expansion, or for loans to the provinces to assist their industrial progress and development and to help them to finance the very large irrigation projects which in the course of the next few years will, we hope, be ready for construction.

In these conditions we have not felt justified in making provision for a railway capital programme larger than 15 crores, as against the 22·5 crores programme budgeted for in the current year. Indeed, we have felt some hesitation as to whether we could justly find even this figure, but anything less than this will so restrict the provision of necessary renewals, and of new rolling stock, as to react very seriously upon the carrying capacity of our railways. I am fully aware that in many circles this provision will be regarded as inadequate. I realise also that it would be a penny-wise and pound-foolish policy to kill the goose that lays for the tax-payer so many golden eggs. Nevertheless, in the opinion of Government, great as are the interests concerned in a progressive railway policy, the interests of the country as a whole are greater, and in the long run it will be to the latter's interests; and, indeed to those of the railways themselves, that we should first clear the way by putting our finances in such a position that they will in future be able to bear the burden of larger capital expenditure in various directions of development, of which railway development is no doubt the most important. Otherwise, our credit will continue to depreciate, and we shall be able to borrow less and less. Further, I would suggest to this House that, as guardians of the tax-payers' interests, they cannot altogether overlook the fact that the net receipts from railways, excluded interest charges, amount at present to just under five per cent of the total capital at charge. I do not



wish to stress this point unduly ; the best way of improving our railway dividend is (apart from raising fares and rates) to increase the railways' carrying capacity, and that cannot be done without an adequate supply of capital. My point is that, until we free ourselves of the various financial embarrassments which I have mentioned, and thereby improve our credit, it is hopeless for us to expect to raise money except at a rate higher than that which the railways at present earn on their capital. As the House is aware, various schemes for enabling more money to be found for railways have been suggested in the evidence taken by Sir William Ackworth's Committee, such as raising by the railway companies, or by some Indian domiciled companies founded to take their place, or by special railway debentures. We shall of course consider very carefully any recommendations that the Railway Committee may submit to us, and should any such schemes mature, no one will be more pleased than myself, but, so far as next year is concerned, I am afraid that we can only rely on the funds that Government itself can make available from its own borrowing.

Meanwhile, I must invite the House's special attention to the fact that the difference between the railway capital grant for the current year, namely, 22·5 crores, and the 15 crores which we propose to fix for the coming year, is not so great as the figures might imply. This time last year as honourable members know, we anticipated that exchange would remain above 2s., and that consequently the financing of a capital grant of £22·5 million would require a rupee expenditure of only 19 crores. For next year we are, as I have mentioned, assuming an average rate of exchange of 1s. 8d. This will mean that to finance a capital programme of £15 million, a rupee expenditure of 17 crores 80 lakhs will be necessary, so that, so far as actual expenditure of rupees is concerned, the difference between the two years is only just over a crore.

The only other item to which I need draw the House's attention is an entry of one crore for the Delhi capital outlay. As regards irrigation, I have already reminded the House that under the Reforms scheme, irrigation projects will, in future, be financed by the Provincial Governments concerned. If they cannot find the money from their own balances they will either borrow the necessary capital from us (as several Governments will do in the coming year) or raise it in the open market. Although we ourselves are no longer directly concerned with the financing of irrigation projects, the House will probably be interested to know that there are now several large projects which have been for some years under consideration, but the schemes have either



reached or are approaching maturity. The two most important of these are the Sukkur barrage project and the Sardha canal in the United Provinces. There has, for various causes, been for several years a comparative fall in the amount of irrigation construction in progress but before long when the projects which I have mentioned and several others are in full construction the amount of funds necessary to finance them will reach a considerable figure. In fact, according to an estimate made some months ago, it will be necessary, if the programme as at present envisaged is to be worked up to, for the various provinces to find a total sum of no less than 72 crores for irrigation during the next fifteen years.

Altogether, the ways and means transactions of the coming year may be summarised as follows :—

<i>Capital requirements</i>		Crores.
(i) Railway capital outlay (inclusive of exchange)	...	17'8
(ii) Delhi capital outlay (inclusive of exchange)	...	1'1
(iii) Discharge of debt (War Bonds)	...	16'2
(iv) Loans to provincial Governments	...	1'7
(v) Drawings by Provincial Governments from their balances	...	6'3
Total		43'1
<i>Resources from which met</i>		
(vi) Reduction of cash balances	...	6'6
(vii) Rupee loan	...	15'0
(viii) Sterling loan	...	5'0
(ix) Net receipts from Savings Bank Deposit and Cash Certificates	...	4'2
(x) Recovery in respect of money orders issued by Iraq Administration in 1919-20	...	3'5
(xi) Imperial surplus	...	'8
(xii) Net credit from exchange	...	5'0
(xiii) Other items	...	3'0
Total		43'1

In concluding my remarks upon our ways and means operations I must say a few words regarding the Secretary of state's position next year. This is a matter which at the present time is of particular interest and importance, because of its bearing upon the future course of exchange. We anticipate that the total



expenditure which the Secretary of State will have to meet in London will be about £46 million. Now, it will be obvious at once to honourable members that if it were necessary next year to put the Secretary of State in funds by means of the sale of Council Bills in London, such Council Bills, if sold to any large extent, would act as a very severe deterrent to any recovery in exchange which the trade conditions of next year might otherwise lead to. Fortunately we do not anticipate that, humanly speaking, there will be any necessity for the sale of Council Bills during the year. In the first place, we shall be recovering from the War Office about £20 millions in respect of rupee disbursements made by us on their behalf. From his own cash balances and from certain other sources, the Secretary of State will probably be able to find another 12 million. We also hope, as I have already stated, that he will be able to raise a sterling loan of about 5 million. He will need, therefore, a further £8 & three-fourth million. Now what is the position as regards sterling reserves? We have some £8 million in the Paper Currency Reserve and no less than £38 million in the Gold Standard Reserve. It is obvious, therefore, that the Secretary of State, by operating on those reserves, *i.e.*, by transferring them to India, should be able to avoid the sale of Councils for a considerable period. He would draw upon those reserves in London, while we should credit thereto in India an equivalent amount of rupees, the net result being a transfer of the reserves, to that extent, from England to India. During the next financial year we expect, as I have said, that he will only have to place himself in funds from these reserves to the extent of £ eight & three-fourth million, and this can be found almost entirely from the Paper Currency Reserve.

A year ago we were being criticised very severely for supporting exchange, at the high level then existing, by the sale of Reverse Councils. More recently, we have been criticised in several quarters for not making use of the Gold Standard Reserve to stabilise exchange at the level to which it has subsequently fallen. Our more recent critics point out that the very *raison d'être* of the Gold Standard Reserve is to support exchange. I entirely agree. My reply is that the best and most effective way of utilising that reserve is in order to keep the Secretary of State in funds and to avoid his having to sell Councils at a low rate of exchange. When one considers that the Secretary of State has over £46 millions of sterling reserves, apart from his cash balances and apart from any other assets that may accrue to him in England, there is surely some justification for a refusal to feel unduly pessimistic about the future course of exchange. For unless it be contended, and I have not yet heard the assertion made, that the balance of trade



has now set permanently against India, and if it be agreed that the present trade conditions are highly abnormal, then it can only be a question of time before a return commences towards a more normal state of affairs. When that happens, there must be a balance of trade in India's favour and unless that balance be satisfied by the sale of Council Bills, exchange must rise. Then, and not till then, will in our opinion be the psychological moment to make full use of our sterling reserves, rather than to dissipate these now, in efforts to stabilise exchange at some rate which, from the very nature of the existing conditions of the world's trade, could not be made permanent. If there is one lesson that can be drawn from the events of 1920 it is surely this ; if, as we are told, a mistake was made last year in endeavouring to stabilise exchange when conditions were so abnormal, let us not repeat that mistake by trying to do a similar thing when, owing to a violent swing of the pendulum, the converse position is equally abnormal.

#### Conclusion.

I have concluded my task. For the deficit of the present year, the House, knowing the facts regarding the unusual expenditure which we have had to incur on the Frontier, and on heavy increases of pay to all our establishments, was not, I think, unprepared. I can appreciate its disappointment at finding that our deficit for the coming year will be so heavy as to involve taxation on the scale which I have had to propose. My own personal feelings must, I am aware, at such a moment count for little. But for myself, the regret which I feel is not at having to announce a deficit or propose fresh taxation : my regret is that this Assembly should at the outset of its career be forced to face problems for which I feel that it can find no solution which will not bring it some unpopularity in the country. I believe whole-heartedly that the immediate political future of India depends on the strengthening and consolidation of the forces now represented in this Assembly. . It is an unkind stroke of fate that circumstances should force us to place on this Assembly a burden which would be no easy one for a body occupying a position compacted by tradition and fortified by a long career of national service. But regrets will not cure hard facts. Circumstances have turned against us, as they have turned against so many countries in the last year, and the circumstances must be faced. But let us bear in mind, that in proportion as we confront our present difficulties with courage and with breadth of vision, by so much shall we justify this, the first Imperial Assembly, to those who will come after us, the future Assemblies of a greater India,



## The Legislative Assembly.

DELHI—1ST MARCH 1921.

On this day, after the presentation of the Budget, **Sir Thomas Holland**, moved for leave to introduce the Bill to amend the Indian Factories Act of 1911, and said that the proposed amendment embodied important principles of reforms now generally recognised as necessary in the humanitarian interests of labour. The distinctive features of the Bill were the result of the ratification by the Indian Legislature of the labour convention last month.

**Mr. Seshagiri Iyer** moved for leave to introduce a bill to declare rights of Hindus to make transfers and bequests in favour of unborn persons in Madras city. He said that the Madras Act was intended to apply to all Hindus within that Presidency and the Madras High Court recently held that it had no power to take away the right of a person domiciled within the ordinary original civil jurisdiction of the High Court to be governed by Hindu Law as it stood, when the Royal Charter Act 24 and 25 Victoria was issued. The Bill was introduced without opposition.

## Trades Union.

**Mr. Joshi** then moved that the Governor-General in Council should take steps to introduce at an early date in the Indian Legislature such legislation as might be necessary for registration of trade unions and for the protection of trade unionists and trade union officials from civil and criminal liability for bonafide trade union activities.

He said that they must follow the example of England. The status of a trade union and its officials must be fixed in the eyes of law. Then there was the question of civil liability. According to the civil procedure code injunction could be issued against persons who broke a contract, also against those who induced them to break contract. He referred to the case of **Mr. B. P. Wadia** in the Madras Buckingham Mills case, and the fact that injunction was issued against him by the Judge, he said, showed that trade unionists were not free from liabilities. It was alleged in that case that **Mr. Wadia's** activities were actuated by malice. A strike necessarily involved injury to an employer and it was very easy for a Judge to say that there was malice. This charge was all the greater against **Mr. Wadia** on account of the fact that he was a politician.

It was necessary they should consider the position of trade unionist in the eyes of law very carefully and afford him the same protection which was afforded to him in England. The English section on this point made it absolutely clear. Similarly a trade union official must be protected against criminal liabilities. The



Government should undertake necessary legislation in India and employers in this Assembly should help the Government in passing that legislation. Employees had organised themselves into several associations to protect themselves and to bargain for more gains. Similarly labourers must be allowed to protect themselves and to bargain for what they wanted.

After a good deal of discussion the House eventually accepted an amended resolution recommending Government to introduce :  
"As soon as practicable \* \* \* such legislation as may be necessary for registration of trade unions."

DELHI—2ND MARCH 1921

Rai Jadunath Majumdar Bahadur moved an interesting resolution regarding the equality in status and allowances to members of both Houses of the Indian Legislatures. He said that the Assembly's position was more responsible than that of the Council of State and he did not see the reason why they should be branded as inferior (Laughter). The Council of State could not be called a House of Elders as young men of thirty were there (Laughter). The Assembly had power over the budget but the Upper House had none. Supreme legislative authority belonged to both Houses. (Applause). If the Council could revise the Assembly's bills, the Assembly could revise the Council's bills. It had been said that honours and titles were silken chains which bound the intelligentsia to the Government. If that was so, a wise Government ought to use this force to its full extent and give the title "Hon'ble" to the Assembly members. (Laughter). In other Colonies and Dominions no difference existed in the status of members of the bi-cameral Legislative Chambers. What specially pained the members of the Assembly was that in view of the usefulness and dignity of this House it should be branded as inferior.

There was a long and lively debate on the subject and some of the speeches, especially Mr. E. Norton's, were full of humour. Most of the non-official members including Mr. Norton and Sir Frank Carter amongst the Europeans were in favour of the spirit of the resolution. After the debate Rai Bahadur Jadunath Mazumdar, in reply pointed out that his resolution did not want more rupees or any title, but merely aimed at the removal of all distinctions. He strongly criticised the opposition shown to his resolution by Mr. J. Dwarkadas, Mr. Joshi, and especially deplored the action of the Govt. who, he said, are woefully blind both to their own interest and to the interest of the country.

The resolution was then put in two parts, the first relating to placing the Members of both the Chambers on an equal footing in



respect of allowances, and the other placing them on an equal footing in respect of honorary titles to be borne by them during their term of office. The first part was put and declared carried. The second part was then put and declared lost.

Dr. Gour claimed a division, and the motion was again put to vote and lost.

Sir William Vincent claimed a division. The House divided, with the result that the second part was also carried amidst loud non-official applause, 50 voting for and 41 against it.

#### Frontier raids

Dr Nand Lal moved a resolution urging the appointment of a Committee to enquire into the frontier raids. Dr. Nand Lal narrated the distinctive features of the frontier raids for the last ten years, emphasising the depredations and ferocious attacks and lawlessness that prevailed at the frontier. Their continuance took away the prestige of the Government which failed to guard its subjects. The frontier policy of the government should be changed to suit the changed times. Effective measures could only be suggested by a Committee to end the atrocious outrages against humanity.

The resolution was put to vote and lost by a very large majority.

#### Export of Cattle

Dr. Nand Lal moved for prohibition by legislation of the export of cows, bullocks, and buffaloes from British India to any foreign country. He referred to the physical deterioration of the people for want of sufficient supply of milk, and consequently their inability to withstand any disease, and quoted statistics to show that more than one lakh and thirty thousand cattle had been exported, and in this way India had lost a good deal of its strength.

Mr. B. Venkatapathi Raju moved an amendment to the effect that the Government should prohibit the export of good breeds of cattle from British India to any foreign country till the Government was satisfied that India had enough and to spare.

Mr. Sarma, on behalf of the Government, said that he would accept the amendment if Mr. Venkatapathi Raju would agree to some modifications, which Mr. Venkatapathi Raju accepted, and the resolution, as further amended, was put and carried.

#### Interest on Government Securities

Mr. T. Rangachariar moved that steps be taken to increase the rate of interest payable on 3 and 3-half per cent securities to 6 per cent or to take such other measures as would secure the restora-



tion of the pre-war market rates of those securities. He said he was fully aware of the financial difficulties of the Government, but he still pressed it, because he was convinced of the justice of the cause he had taken up. Poor people, who had invested their whole in Government securities, were in a miserable condition. Three and a half per cent interest suited the pre-War days when things were very cheap, but now 3-half per cent. interest did not fetch even of what it did then.

The motion was put and lost.

#### Programme of Future Sessions

Mr. E. L. Price moved that in future sessions of the assembly the programme should be, as far as possible, so arranged as to provide for meetings being held regularly every day, Sundays only excepted, in order that the burden of service might fall more reasonably on the non-official members attending, and that the period of their detention at Delhi or Simla might be reduced to a minimum compatible with the efficient working of the Assembly.

He observed that last month, during a certain period of nine days, the Assembly sat only for two days. The non-official Europeans, who were not a leisured class, but a very hard-working class, would deem it impossible to stay in Delhi for a period of nine days in order to attend the Assembly for two days.

Mr. Price had not gone through half of the speech, when the President declared an adjournment till Saturday, the 5th March, when Mr. Price would be allowed to finish his speech.

### The Council of State.

*DELHI, 3RD MARCH 1921*

On the Upper House meeting on the 3rd March Mr. Moncrief Smith, Secretary, read a message from the Secretary, Legislative Assembly, saying that, at its meeting of the 1st March, the Assembly rejected the motion to commit to a Joint Committee the Bill to amend the Code of Criminal Procedure, 1888, and the Court Fees Act, 1870. Sir William Vincent requested the President to give his ruling as to what measures should now be taken under the rules.

The Hon. Mr. Muddiman (President), in giving his ruling about the question that arose, by the Legislative Assembly having vetoed a resolution of the Council for reference to a Joint Committee of both the Houses, of the Bills to amend the Criminal Procedure Code and the Court Fees Act, said :

The procedure by a reference to a Joint Committee is a new one to this Council, that arises out of the double Chamber arrange-



ment, and I think possibly that the Hon. Members will bear with me for a minute or two, while I examine the position at some length. The procedure, by a reference to a Joint Committee, is a device which enables the Chamber, in which a Bill does not originate, to take part in the discussion on the Bill at a very early stage of its progress. In Parliamentary practice, procedure by a Joint Committee is most frequently resorted to in cases where the Bill has a peculiarly technical or legal importance, or where the subject matter is, as in the case of a Bill which is familiar to all Members of this Council, *viz*, the Government of India Bill, rather removed far outside the ordinary sphere of party politics. It may be as well to say a word as to the case in which a motion for a Joint Committee has been carried in both Houses and the Bill duly committed ; for I have ascertained that there is some misapprehension on this point. When the Joint Committee has completed its deliberations, a copy of the report is laid in both Houses, but if a Bill emerges from the Joint Committee, that Bill is moved on and dealt with in the Chamber in which that Bill originated, as if it had been a Bill committed to an ordinary Select Committee. The Bill, as passed in the Chamber, then goes up or down to the other Chamber as the case may be, and is passed, amended or rejected in the usual way by that Chamber. That Chamber has the same power of discussing the principles of the Bill and amending or rejecting any and every clause, as if the Bill was any other Bill passed by the other Chamber. It is not usual, if a Chamber, to which a resolution proposing a Joint Committee is referred, is unwilling to accept the recommendation, to avoid a direct negative and, by a dilatory motion, to allow the question to lapse. In the present instance, however, a direct disagreement has been intimated. The message must have been moved on with very little notice in the Assembly and disposed of promptly, for the resolution of this Chamber was only passed on the 28th February, that is on last Monday. I have been asked a question also as to the procedure to be followed when a message to the kind now under consideration is set down. I do not wish to commit myself to a definite ruling on the point, but I would say that it is desirable that a message of that kind should be accompanied by a copy of the Bill referred to in the message, and that, speaking generally, in the absence of urgency, the motion for the consideration of the message could not be put down till Hon. Members or Members of the Assembly have had an opportunity of considering the Bill. I have been further asked as to what is the nature of the speech that should be allowed on that motion. That, of course, is a matter primarily for the consideration of the mover, but as I have been asked my opinion, I will state it in this form, and that is, that, speaking generally, it should be much



the speech that would be made on the introduction of the Bill in the originating Chamber. We are now faced with the position where the Assembly have given a direct negative to a recommendation of this Chamber, and the Hon. the Home Member has asked me to state my opinion as to the course available. We are still new to the rules, and, therefore, I will propose to do so. It is clear that the course contemplated by Rules 30 and 39 of the Indian Legislative Rules is not open, for this is not a case of the amendment of a Bill. On the other hand, this Council has, of course, full session of the Bill, and it is open to the Honourable Member in charge, subject to the rules as to the notice, to make any other motion in regard to the Bill that he could have made after introduction. I shall have to rule, I think, that he will not be entitled to repeat in this session the motion for a reference to a joint Committee, for, Standing Order 30 stands in his way. That Standing Order runs as follows : " a motion must not raise a question substantially identical with the one on which the Council has given a decision in the same session." Even if I came to another conclusion, I think it would have to be so ruled. In another place Rule 4 contemplates a conference, by agreement by both Chambers, to discuss a difference of opinion, but even if the prohibition of identical motions in the same session did not operate as a bar to any practical result during this session, I can find no parliamentary precedent for a conference on a matter of procedure of this kind when an alternative action in this Council is available. The sum and substance of my remarks comes to this : That if the Honourable Member moves and this House be willing, in all the circumstances, to consider a fresh motion for a reference to a Joint Committee, that motion cannot be made in the session. I hope that I have explained the matter fully.

#### **Duty on Motor Spirit.**

Mr. Sethna moved for the removal of excise and customs duty on motor spirit that was levied since March 1917.

It was put and lost.

#### **Slaughter of Cows.**

Lala Sukhbir Singh moved for prohibition by Legislation of the slaughter of cows in India for food, except for sacrifice on Bakr-Id and for the appointment of an All-India Commission that might enquire and report on measures which should be taken to improve the breed and increase the number of milch and agricultural cattle in India. He made a long speech in which, after comparing the growth of cattle in India with that in Switzerland, Denmark, Canada, New Zealand and other countries, he pointed out the need for agricultural cattle in this country and for improvement in the



quality of breed for agricultural purposes. He proceeded to read out several extracts from many speeches to show that there was a strong feeling in the country, including Muhammadans, for the prevention of the slaughter of cows. The motion was put after a short discussion and lost.

#### Religious Matters and Public Opinion.

Sir Zulfikar Ali Khan moved that the Secretary of State be addressed with the object of securing full consideration to public opinion in this country before any matter was decided, which concerned the religious susceptibilities of any class of His Majesty's subjects in India.

After a short discussion the motion and an amendment of Syed Raza Ali on the Khilafat were withdrawn.

#### Riots and the Use of Fire Arms.

**Mr. Sastri** moved that the Code of Criminal Procedure and, if necessary, other enactments be so amended as to secure the following points in the suppression of riots and unlawful assemblies. First, no firearms should be used except on the written authority of a Magistrate of the highest class that may be available on the spot. Secondly, in cases of grave emergency, when no Magistrate is available in the neighbourhood, the Chief Police or Military Officer present on the spot, may, if he considers that riot or unlawful assembly cannot be suppressed otherwise, employ firearms. But the onus of proving the emergency and impossibility of securing the presence of a Magistrate within the proper time shall lie on the officer so acting. Thirdly, before resorting to firearms that Magistrate or other Civil or Military Officer responsible shall read or cause to be read a proclamation both in English and in the local vernacular. Fourthly, firearms shall not be used for one hour after such proclamation has been read, unless in the meantime the assembly or the crowd actually causes serious damage to person or property. Fifthly, before the crowd is actually fired upon, the fullest warning shall be given. Sixthly, the Magistrate or other Civil or Military Officer responsible shall take all reasonable precautions to see that no more injury is inflicted on the crowd or the assembly than is absolutely necessary. Seventhly, the sanction of the Governor-General-in-Council should not be a condition precedent to the institution of a criminal prosecution against the officers or other persons who have acted illegally in suppression of riots. Eighthly, every such prosecution shall be instituted in and triable by a Sessions Court having territorial jurisdiction, with the previous leave of such Court or the High Court of the Province.



Mr. Sastri said that the various provisions of his resolution were nothing more than a reproduction of the existing practice in India and in England. Firearms being deadly weapons, he wished that clear provisions should be made for their use in the existing meagre section of the Criminal Procedure Code. The first part that required the written authority of a Magistrate was a most important requirement in English law, and in cases of emergency it was provided in the second section that the chief military or police officer could act in the place of the Magistrate, but the onus of proving such emergency would be on that officer. This was essential, so that if a public enquiry was held, the conduct of these officers should be justified by them. The third part described the reading of a proclamation. The object of this was, in the words of Lord Haldane, to protect the Officers against judicial findings that might be instituted by the aggrieved party or against public enquiry. The fourth provision desired that, unless, in the meantime, the assembly had done serious damage, one hour be allowed after the reading of the proclamation before fire arms were used. All authorities on law agreed that this was essential to allow innocent persons to separate themselves from the guilty elements of the crowds, and one hour was required as it would take considerable time before an innocent man could elbow his way out. The fifth and sixth provisions were already part of the *Police Manual*. Coming to the seventh part, Mr. Sastri said that this part was in conformity with English law. It was considered axiomatic in England that, after riot had been suppressed, the Government Officers shot'd be in a position to stand a judicial or public enquiry into their conduct. Mr. Dicey also said that Officers would be liable to be called into account after the use of fire arms. Now in India, unfortunately, the institution of any judicial enquiry required the sanction of the Governor-General, and generally a public enquiry was denied, and whatever enquiry was held was conducted by the Executive on its own actions, and as a result it was announced to the world that nothing had been done beyond the necessity of the case. This state of affairs was causing grave soreness of feeling among the people. If an officer resorted to fire-arms, he should be bold to stand a judicial or public enquiry and justify his own conduct. The aggrieved party should have a free hand to institute judicial proceedings without being made to go through an extraordinary procedure of getting the sanction of the Governor General. He found that in the case of finances the Government's accounts were to be checked by an independent authority, like the Auditor-General, who would directly report to the Secretary of State. Now, if such a precaution upon the Executive's action could be devised



in the matter of finances, how could it be that in a matter of human lives the Executive should be made to say the last word on its own actions? The whole Criminal Procedure Code was offering substantive provisions without proposing a remedy. To judge whether those provisions have been rightly used by the Executive, the grant of the right to the aggrieved party to institute a case in a Judicial Court was invariably essential in all well-developed systems of jurisprudence. The Executive should hereafter be made liable to stand a judicial enquiry.

Sir William Vincent replying to Mr. Sastri's resolution, said that the Government were always anxious to meet the wishes of this Council as far as possible, and in the course of the last few days they had given every indication of this desire. But if he (Sir William) was unable to meet the Council on this occasion, it was because some of the proposals of Mr. Sastri were both impracticable and unsound. The first proposal was that no fire-arms should be used except on the written authority of the Magistrate. This was neither the rule nor the law in England or India. He quoted from a book which stated that experience in England had showed that in a riotous assembly, unless action was taken at once by the Executive officer, all law would be swept away and every species of crime was sure to follow. There was no question, therefore, proceeded the Home Member, that in England there was any question of statutory obligation requiring the possession of the written authority of a Magistrate before a Police Officer could disperse an assembly. It was impossible to carry out Mr. Sastri's proposal in this respect, because, if in a case an Executive Officer, like a Superintendent of Police, had to depend on the written order of a Naib Tahsildar or an Honorary Magistrate, that was not a position to which an Executive Officer would submit. Some latitude must be given to Executive Officers to use their discretion as to when and when not to use force. He (speaker) had heard of no civilised country in the world where such a written authority was required. Further, the Members must know that there were some limitations already imposed on these officers before dispersing riotous assemblies. As regards the second proposal, that is, that the onus of proving the emergency and impossibility of securing the presence of the Magistrate within the proper time should lie on the Executive Officer. Sir William observed that it was not in accordance with the ordinary principles of justice, and said that if that proposal was to be accepted, there would be very few soldiers and Police officers who would be willing to accept service. Proceeding, the Home Member touched clauses three and four, and said that Mr. Sastri had based his arguments on an absolute misconception of English Law.



The effect of the English Act was only to make a crowd disperse within one hour before it was fired. A reading of the English Riot Act would not justify the proposition that fire arms should not be used if occasion meanwhile demanded it. For example, in the Katarpur riot, what was the Executive Officers to do when they saw that many innocent Muhammadans were being burnt? Any one who had seen a mob in India, a mob with wild passion, a mob capable of doing every kind of mischief, ready for homicide in a rage, a mob on their errand of wickedness, would admit that it was impossible to expect a Police Officer to wait for one hour before he began to fire. That proposition, therefore, could not also be accepted. As for the next proposition, that before a crowd was actually fired upon, fullest warning should be given, the Home Member pointed out that this was being done already, and there was no need for that suggestion. The same remarks applied to the seventh clause that all reasonable precautions must be taken to see that there was no unnecessary loss of life. As for the seventh clause, Sir William pointed out that the proper authority on these matters was the Executive Government which, under the new regime, would be more and more under the influence of the Legislature. The last proposition was also unacceptable, because it must be noted that during the next few months there might be serious disorders in the country. This Council, which consisted of men of substance, must make it possible for their officers to do their duty and not make them liable to unnecessary prosecutions.

H. E. the Commander-in-Chief then addressed the Council. So far as military officers in the army were concerned, he said that the task of aiding civil power, when the military were called out to do so, was one which was most repugnant to all military officers, and they must be left to judge when to use fire arms and when not; but Mr. Sastri's last two proposals certainly did not help the officers, and the present legislation was therefore impossible in the circumstances.

After a lengthy speech by Mr. Dadabhoi strongly opposing the resolution and one by Mr. Khaparde supporting it the resolution was put clause by clause, and, except the fifth and sixth, all other clauses were negatived. Two clauses, one concerning the proclamation and the other concerning freedom to the aggrieved party to institute cases against officers without the previous sanction of the Governor-General or Governor were put to division, the former being rejected by 26 to 15, and the latter by 28 to 12.



## The Legislative Assembly

DELHI—5TH MARCH 1921

The Assembly met on 5th March and Mr. Price's resolution moved in the last sitting was taken up. After Dr. Sapru and Sir William Vincent had spoken explaining the arrangements that had been made for holding meetings of the House Mr. Price's motion was put and negatived.

## English Translation of Gujarati Accounts

Mr. Narayandas Girdharidas moved that in the matter of submission, by the Gujarati and Marwari communities in the Madras Presidency, of the English translations of their accounts and statements of income to the income-tax authorities, in addition to their accounts and statements kept and maintained in their own languages, the local Government be directed to dispense with the additional requirement of an English translation.

The resolution was by leave withdrawn.

## Bihar and Orissa Executive Council

Mr. R. Sundar Das moved that the Secretary of State be urged that the vacancy caused by the retirement or going on leave, preparatory to retirement, of the Civilian Member of Bihar and Orissa Executive Council be not filled, and the Bihar and Orissa Executive Council be thereafter composed of only two members and not three as at present.

He said that, at a time when his province was suffering from flood troubles and high prices, it was no use carrying an elaborate administrative paraphernalia. The greater the cost of administration, the poorer the tax-payer. Moreover, the existing arrangement was neither in conformity with the "Montford" Report, nor of the Joint Parliamentary Committee, nor in the spirit of the Declaration of August, 1917.

Mr. Sinha in reply said that the present motion had been a subject of considerable anxiety for sometime past. The constitution of the Executive Council of Bihar and Orissa was the same as it existed before the Reforms came in. The speaker quoted the report of the Parliamentary Joint Committee on the question of the strength of the Executive Council as carrying half of the Indian element. He said the Government, in reply to questions on this subject, had admitted that the constitution of the Bihar Executive Council, though not in conformity with the letter of the Joint Committee Report, was thought to be in accordance with its spirit. The speaker denied that the Government's action was either in accordance with



the letter or spirit of the said report. The question of economy in funds in the poorest province of Bihar was essential, and, in the words of the Joint Committee, special skill would be required in developing its resources. However, the Government's answer that a European among five Indians would be too small had caused a great amount of dissatisfaction in the country as ventilated by the press. Leaving aside the Nationalist press, even a notoriously moderate paper, like the *Citizen* of Madras, took great objection to the Government's answer, which scented distrust of Indians and lack of confidence in Lord Sinha. The import of Government reply, as given by the Home Member, was that whenever any new Indian Governor was appointed, a proportion should be observed among the Indian and European elements. This was nothing but a sort of suspicion and distrust. Unless the Home Member would give a further explanation, his previous reply would continue to form a serious allegation against Lord Sinha for lack of confidence and for lack of keeping equal balance between Indian and European members.

Sir William Vincent, on behalf of the Government, in amplifying the information he gave to questions on this subject, referred to the Montagu-Chelmsford Report, and said that there was in the minds of the authors the necessity of increasing the number of Indians and not that of Europeans. The Bihar Government now consisted of six members, of whom four were Indians, and if the present resolution was accepted, there would be four Indians and only one European. Since the formation of the Council, there had been two Europeans, and rightly or wrongly the Government thought it undesirable to reduce this number to one. Lord Sinha was a person who had rendered conspicuous service in public life, and Sir William repudiated the suggestion that the Government of India had not the fullest confidence in him, because the Government of India regarded him as one of the most eminent men in this country. In Bihar there were very large European interests like the planting communities, etc., and so the Government thought it would be right to have two European Members with administrative experience on the Executive Council. The Government thought that there would be considerable increase of work with increased Government, and it was thought undesirable to break away too rapidly from the old tradition and reduce the European Members to one.

Proceeding, Sir William said : "I am authorised to say that the present arrangement was come to with the approval of Lord Sinha. He himself did not want, in the first year of his office, to change



the existing arrangements, but always with this provision that it was considered as a temporary arrangement. I am glad to see that there is no suggestion made in this Council, either by the Hon. Mover or any one else, that this arrangement was made solely in the interests of the Indian Civil Service. I admit that the province is poor, but that will not support the idea that the expense of one more European Member is more than it can bear, and I might add that the province makes no contribution at all to the Central Government."

The resolution was put and carried by a non-official majority without a division.

#### Non-co-operation

Mr. Muhammad Yamin Khan then moved his resolution asking for a Commission of three elected Members of the Assembly and two elected Members of the Council of State and two officials to thoroughly investigate into the real or supposed grievances of the people leading to Non co-operation.

The Mover showed that he was merely bringing in the Khilafat question once more. He seemed to resent the interference in the Government of India of the Secretary of State, and suggested that if Parliament had a hand in controlling India, then India should be represented in the House of Commons. Otherwise, there should be complete severance.

Non-Co-operation now was in its infancy, and if steps were now taken to study the grievance, bloodshed would be avoided. The Indian Legislature could not recommend any action unless there were grounds for the grievances of the people : how many of these were genuine, how many superfluous, and how many of them could be met. This could be attained by a Committee as suggested by him. This Committee should go to every corner of the country and examine villagers as well as city-folk and the educated classes. The Punjab might have its martial law grievances, while Bengal might have some other. Non-Co operation had given shelter to all real and supposed grievances of all people in every part of the country. Colleges were being emptied, and people, and even dead bodies, were being socially boycotted. This state of affairs should not be viewed with equanimity. During the last month, the Punjab and the Khilafat had been discussed in both Houses, but the result of the debate on these two issues, which gave birth to Non-Co-operation, was nil. The Government should, therefore, enquire into all grievances and remedy them all at once.

Mr. Ginwalla moved an amendment, including non-participation in Burma to be examined. He observed that the non-participation



movement in Burma had nothing to do with the Non-Co-operation movement of Mr. Gandhi in India. The non-participation movement in that Province was entirely a protest against what the Burmans believed to be the manifest injustice that had been done to them in the matter of Reforms from the Secretary of State down to the local Government, and was quite different from Mr. Gandhi's spinning wheel or soul-force or any such fantastic scheme.

**Sir William Vincent** addressed the House on behalf of the Government. He said that the discussion on this resolution had covered such a very wide field that it was very difficult to accept it. Mr. Ginwalla's amendment had referred to Burma's non-participation movement, and he (Mr. Ginwalla) had dwelt upon the question of Burma Reforms. But it must be remembered that during this month the Secretary of State proposed to introduce in Parliament a Bill for the Reforms Scheme in Burma, and he (speaker) put it to them, as practical men of business, as to whether there was any useful purpose which could be served by starting a fresh investigation into that question. Moreover, the resolution asks for a roaming enquiry into questions like the Burma Reforms, the Khilafat, the Punjab and Dominion Self-Government, and it might be that it could not finish the enquiry within ten years. In the meantime, there was a Conference considering the Treaty of Sevres.

Proceeding, Sir William Vincent referred to the several questions one by one. As regards the Khilafat, he informed the House that the Secretary of State had added Dr. Ansari of Delhi to the Muslim Deputation to the Near East Conference. Further, the Government of India, in reply to their cablegram containing the views of the Council of State on Mr. Bhurgri's motion and the views of Mussalmans of both House of the Legislature, had received a reply from the Secretary of State which stated: "I lost no time in communicating the representation of the Council of State to the Prime Minister, and I am sure that both the Council of State and your Government must be aware that I am leaving no stone unturned in anything which may possibly lead to a final settlement which should be found acceptable by the loyal Indian Muslim opinion" (Applause.) It would thus be seen that there would no practical purpose be served by appointing a Commission with regard to the Punjab.

He referred to the debate on Mr. Jamnadas Dwarkadas' resolution, when it was decided not to interfere with that question. The Hunter Committee and the Congress Sub-Committee had already explored the causes of the Punjab question, and "did this



Assembly seriously suggest," asked Sir William, "that it should be resuscitated or revived after a lapse of two years, when it was absolutely impossible to ascertain the truth on either side? The proposal of the Mover, therefore, stood self-condemned".

Alluding to the question of India's desire for Dominion Self-Government, the Home Member said : We are committed by Parliament to a certain stage in political advance, and we are doing our best to work up for the future progress of this country. I am trying to give evidence of it, and I am glad to say that I have seen much evidence of it from the non-official members of both Chambers. The proposal of the Mover is not really practical politics. Complete Self-Government on the lines of the Dominions connotes self-defence or power of self-protection. No one can say that at this moment this country is prepared to defend itself, either from external aggression or from internal dissensions. There is only one power constantly operating against these forces in this country, and that is British rule. Take away that force and you will have disintegration all round, and very probably there will be chaos and anarchy, and the country will probably come under military despotism, such as is existing in Russia. The condition existing in this country are akin to those in Russia. In India the spirit of National consciousness has been awakened, largely in urban areas, by the British Government through their system of education, and although it has not yet permeated thoroughly into the masses in rural areas, yet it is still, I am glad to say, permeating slowly. What one great aim of every Indian now should be is the consolidation of that feeling of solidarity throughout the country. Until you can secure that feeling, it is impossible that this country would be able to resist the various forces which I have just mentioned, forces arising out of diversity of race and religion, differences in custom and great distances. The creation of this National consciousness among the masses, I believe, is the greatest benefit that the British Government has ever conferred upon the people of this country. If the Council attempted to receive Self-Government at once, or tries to go too far in this way now, I believe you would be only risking all of your future political progress. There is very much greater reforms now than even the Montagu-Chelmsford scheme had contemplated. Is this proposed Committee, then, in accordance with the instructions from His Majesty's Government? Is it not, therefore, our duty now, here in this Council, so to work these Reforms that at once we may move towards our ideal in a reasonable way and not by any revolutionary processes, such as is contemplated by the Non-Co-operation party? There are some who say, "I will get rid of the British Dominion, come what may." But



that is not a reasonable proposition when this country is promised and is securing gradual realisation of Responsible Government by ordered progress. (Applause.)

Dr. Sapru said that he had never deceived himself on the question of Non-Co-operation, and it was impossible for him to speak on it more strongly in his present position than he had already done in the happier and freer days of private life. He had heard it said very often that this Assembly did not represent the real country. The House should not, therefore, deceive itself that a Committee consisting of elected members of both the Chambers and two officials of the "Satanic" Government would carry any conviction in the minds of those who would not be happy until they have secured Swaraj within 48 hours or by October the latest. He asked them, as practical men, if any Commission on the lines suggested would carry the Non-Co-operators with them. (Cries of No, no.) Then, if the object of the resolution was to convince the Moderates that there was unrest in the country, it was useless, and if it aimed at persuading Non-Co-operators to take the view of the so called sensible section of the population, then, again, it was hopeless, and unless some resolution was brought, asking the Non-Co-operators to form a Committee to report on the grievances of people, it would not be to their credit. If to-day a commission was appointed, to-morrow it would be challenged as not representing the country's views. Why then should there be a request for a Committee which, so far from being a credit to this House and removing the spirit of unrest, would further the difficulties? Certain members had laid stress on the grievances beside the Panjab, Khilafat and the attainment of Swaraj. He failed to get a single specific instance quoted by any member of the so-called grievance which the Government should attend to. Concluding, Dr. Sapru said: Speaking not as a member of the Government, but as an Indian, and speaking by the "faith in me," I venture to submit to this House that it is time for us to consider whether the road towards that goal which every one of us has in view lies through Non-Co-operation, or by the vindication of our capacity to work in this House and by complete removal of the doubts which may legitimately be entertained with regard to our capacity.

The resolution was put and lost by a great majority.

### *DELHI—7TH MARCH 1921*

#### *Madras Members' Speeches.*

Before Mr. Chowdhuri Shahabuddin's resolution for a Committee on the Esher Report was taken up, Mr. T. Rangachari (Madras) drew



attention to the standing orders 130 and 132 which required two day's notice for the discussion of the demands for grants under each separate head, and observed that the notice issued to members had lumped together all grants for all heads, and it was therefore impossible for the members to give two days' notice as required under rule 132.

Mr. Hailey explained that the Government were unaware how long the House would like to take to deal with each head and what imperative importance they would attach to each grant. For this reason, the Government were unable to suggest definitely the allotment of time. In future years, however, the Government would certainly ask for the allotment of definite time. Mr. Hailey recognised the difficulties of the members at the present moment, but he asked the President to interpret the rules in the most liberal sense in accepting the notices of demands for grants.

The President promised that he would interpret the rules as suggested by Mr. Hailey.

#### The Esher Report

Mr. Chowdhuri Shahabuddin then moved that a Committee consisting of the following members of the Assembly, namely, Mr. Samarth, Sir P. S. Sivaswamy Aiyar, Mr. T. Rangachariar, Rai Jadunath Majumdar Bahadur, Sir Jamsetjee, Mr. Ginwalla, Lt.-Col. Herbert, Lt. Col. Gidney and the Mover, under the Chairmanship of Hon. the Law Member, be appointed to consider the report of the Esher Committee and to report their recommendations to the Assembly on or before March 21st 1921. He traversed the ground taken up previously by Sir Sivaswamy Iyer, and said that the report was of exceptional importance to India from the military, political and financial points of view.

Sir Godfrey Fell on behalf of Government appealed to the House to accept the motion and then the resolution was put and carried unanimously.

## The Budget Debate.

Rai Jadunath Mazumdar Bahadur started the discussion on the Budget. He confessed that he was not a diplomat, but a plain man, and as such he wanted the House to take it seriously that the Budget which was introduced by the Finance Member with a horrible countenance would only fan the dying embers of Non-Cooperation. Taxes on sugar, beverage, etc., were the only silver lining in the dark and ominous budget, which, Mr. Mazumdar said, he received with disappointment, despite Mr. Hailey's proclamation



that unless the House shared the responsibility with the Government they would be declared unfit and useless. The best way of meeting the difficulty was reducing the military expenditure which was proving to be the last straw on the camel's back. The Government's duty did not consist merely in protecting India against foreign aggression, but in advancing her moral and material prosperity by seeing that the people were well-fed, well-clothed and well-housed. Let not the Government cast a hopeful glance on the monsoon, but adjust themselves by storing water in time and also encourage sugar industry for which this country was noted before the advent of the British. The Government's heart must beat in union with that of the people, and then and then only could there be peace and contentment in the land.

**Mr. V. Raju** said that the Budget was suffering from a squandering mania, and fully showed bankruptcy of statesmanship. The whole speech of the Finance Member was a masterpiece of apologies which could not bring comfort to suffering humanity. The appalling Army expenditure, multiplication of departments and extravagance on the administrative machinery were being attended to at the cost of the prosperity of the country. While the League of Nations was urging for the reduction of armaments, the Government of India, a member of the League, was taking the Army expenditure beyond the limits of the safety of National prosperity.

**Mr. R. Currimbhoy** said that the policy of the maintenance of exchange by selling reverse councils had given great impetus to import trade balance against India. (Applause). The constitution of the Currency Committee was such as could not inspire confidence in this country, and unfortunately, Dr. Dalal's predictions had come to be true. The Government had frittered the great resources of the country in following the sale of councils which was dictated from Whitehall.

**Mr. J. Dwarkadas** said that if a deficit of 18 crores had to be met no better way for taxation could have been found than as suggested by Mr. Hailey. However, the Budget was very gloomy, and seeing that the Army was going to consume more than fifty per cent of Indian revenues he urged a wholesale reduction in the military expenditure.

**Mr. M. Ramji** took strong exception to Mr. Hailey's remarks about Indian importers. The policy of the Government in the beginning was to support exchange and thus they held out hopes to merchants of exchange not falling below two shillings. At this the Indian importers sent orders for goods, but, in the meanwhile, the Government stopped supporting exchange which fell considerably. Thus did the Government cheat the merchants. Now, taking Mr.



Hailey's views, if the Government could foresee what was coming, why did they hold out false hopes of stabilising exchange? The commercial morality of India was better than that of any country in the world. (Cheers.) A grandson would pay the liabilities of a grandfather even if there was no written compact.

Mr. Sarfaraz Hussain Khan deprecated any curtailment of military expenditure on the Frontier so long as normal condition was not restored and so long the Bolshevik menace lasted and Central Asia was in a state of ferment.

Mr. T. Rangachariar said that he had tried to judge the Budget by the test of efficiency and economy, but it had raised nothing but indignation in him. He found that the spirit of untouchability had made its way into the Budget even under the new era. Out of the whole Budget they could vote on something like 25 crores of expenditure. The budget for Army was untouchable. It was just giving power to touch Registrars and Sub-Registrars, but not the bigger people. (Laughter.) He asked Mr. Sarfaraz Hussain who had approved of Army expenditure to remember that our revenue of 88 crores would go to Army. India could not bear this with equanimity. He was sorry that they had no power on military budget.

A European soldier, cost four & one fourth times more than an Indian soldier while a European officer cost twelve times more than an Indian Officer. The cost of civil administration had risen from 20 crores to 45 crores. The Civil Service thought that under the Reforms they would be in danger. Thus, their position, their pay, their allowances and their pensions should be increased and other interests safeguarded. No wonder, therefore, that this infection spread to subordinates everywhere. If the Government wanted the Assembly to vote and not to Non-Co operate on this vital issue, they must hold out a sacred promise that they would examine the question of retrenchment seriously and in right earnest.

He referred to the currency and exchange muddle, and took strong exception to further multiplication in official strength in the Government of India. The time had come to put the house in order and the Finance Member would be well advised to confine his Finance Bill to one year. The proposals of the Esher Committee should not be given effect to. He warned the Government that if the Assembly agreed to the present budget it was on the distinct understanding that the future budget would not propose such harassing taxation on the poor Indian resources.

Sir Sivaswami Iyer considered it extremely unfortunate that they should in the first year be faced with an adversity Budget. Mr. Hailey admitted his failure to grapple with the exchange



troubles. He said that the Commander-in-Chief would justify the Army budget. He could gather that the Finance Member himself did not approve of the sum for the Army. However, he could see that while the strength of the Army was being reduced below the pre-war level, the upkeep of this strength cost three hundred per cent more than what it cost in 1913-14. Further, while there was a reduction in the combatant strength, there had been an increase of something like seven hundred officers in the Army. The proportion of expenditure on the Army in the United Kingdom was one-fifth of the entire expenditure, while in the Colonies it was something like one twentieth. The carrying out of the Esher Committee's recommendations would mean that the Army figure would go still further.

Mr. O'Donnell challenged the statement of Mr. Rangachariar who had said that the Government spent large sums of money on revision of pay of subordinate establishments in order to justify their acceding to the clamorous demands of the higher branch of the Civil Service. Mr. Rangachariar was mistaken because the increase given to the higher branch of the Civil Service was in pursuance of the recommendations of the Public Services Commission. It was quite true that in some cases the increase had been larger than that recommended, but that was due to the enormous increase in the prices.

Dr. Gour criticised the staggering growth of military expenditure which the poor India could not bear. In face of all attempts of the League of Nations which was trying to bring the millenium of universal peace and Anglo-Japanese Alliance, they failed to understand the necessity for the annual swelling up of the military expenditure. If the Bolsheviks were coming to India, the Commander-in-Chief would attempt to arrange a special meeting of the Legislature for additional expenditure.

Sir Frank Carter characterised the Budget as the rich man's Budget. The only item that affected the poor was the enhancement of postal rates. The Government would, therefore, be well advised if they left out the pice post-card untouched. The increase in the letter postage from half an anna to one anna would not be so adversely felt by the masses. He congratulated Mr. Hailey on his boldness to face the deficit by taxation rather than resort to a floating debt. He expressed his great regret for the inadequate grant to Railways.

Mr. Ishwar Saran appealed to the Commander-in-Chief to revise their military policy and save the poor tax-payer from unbearable burdens.

Mr. N. M. Joshi criticised the taxation proposals like surcharge



duties on fodder, grain, firewood, etc., and said that these would affect the poor class of people.

Raja Shar Nandan Singh said that the Budget had caused great uneasiness in the country and the people felt that if the New Era meant fresh taxation, it should have never come at all. He suggested export duty on food grains to meet the deficit rather than those taxations which affected the masses.

Mr. J. C. Chowdhuri considered the financial statement as a bankruptcy budget, and regretted that Mr. Hailey had not given an idea when the finances would be placed on a solvent basis. He referred, amidst cries of "hear, hear," to the President's ruling, asking members to limit their remarks on a closely typed Budget of 338 pages to fifteen minutes. He referred to the great trade depression due to the disastrous currency policy of the Government during post-war days and to the reckless sale of Reverse Councils. He criticised the old policy of the Government, and viewed with alarm the depletion in currency reserve. He suggested that there should be no increase in postage and railway rates, and that the revenue to be derived from these sources should be met through the floating of a loan. He strongly criticised the enormous increase in civil and military expenditure, and suggested the establishment of a Retrenchment Board.

Mr. R. A. Spence said that the Finance Member would have been wiser, had he been a bolder man and doubled his estimate of exchange loss in the coming year by framing his estimate of sterling outgoings at one shilling four pence in place of one shilling eight pence. After making further remarks on the finance policy of the Govt., Mr. Spence said that the Finance Member had told us that he would not say whether it was he himself or the Secretary of State who dictated the exchange policy of last year. It is a long standing political canon that India can only be governed on the spot. Railways and telegraphs have not done much to lessen the distance between the peoples of India and their Government, but they have brought Delhi into closer intimacy with Whitehall, and I trust the effect of these new Councils, in which every Englishman will desire to act first for the benefit of India, (applause) of which country he is a citizen, will be to bridge over the gulf between the Government and the governed, and arrange the details of the Government on the spot.

Sir Godfrey Fell, in the course of a lucid speech, spoke at length in justification of the military expenditure. He regretted that much of the criticism directed against the Government had been based upon inaccurate information. The first duty of any civilized Government was national defence and any Government



which failed in this duty would be rightly accused of jeopardising the vital interests of its people. The wide range of north-west Frontier inhabited by tribes to whom the rich districts of British India were an irresistible temptation, was a potential and constant danger to the peace and security of India. Then again, there was the need for internal peace and those who doubted it should read the telegrams from Lahore appearing in that morning's papers. But he asked the members to remember the turmoil in the Middle East, the Bolshevik Rule in Russia and the state of war on the Frontier and the internal position of the country. The rise in the cost of the Army had been due to increments in pay all round, for a discontented Army was a serious danger. He maintained that none of the Army people were overpaid to-day. The accommodation for the Army had cost a good deal. The rise in the price of foodstuffs, clothing, ammunitions and other requirements of the Army had greatly enhanced their bills. They had to provide better medical arrangements and mechanical transport. Added to all this, tanks, aeroplanes, armoured cars and other up-to-date weapons had been introduced. All these various factors had contributed to the rise in the Army Budget. He pointed out that the pay of British Officers was fixed by His Majesty's Government and they had to pay what was fixed by the Home Government. He submitted that when good days dawned, they might consider a considerable reduction in the army strength. In the conditions existing now, it would be the height of criminal folly if an adequate provision was not made for the Army.

Mr. Neogy said that he had a shrewd suspicion that Mr. Hailey and his associates were in secret sympathy with the Non-Co-operation movement, for, the present Budget was sure to give a strong stimulus to the movement. They were invited to share with the Government the aftermath of an epoch of administrative prodigality. They had a clear idea about the practical limitations of their budget powers, and it should not be forgotten that only 19 per cent of the total budgeted expenditure charged to revenue had been submitted to vote. They could obstruct the Government, but could not effect a substantial retrenchment. The only alternative before the House was to acquiesce in this extravagance which could not be conscientiously done and to seek to paralyse the Government, which course, though very repugnant to the speaker, would have to be adopted if the Government refused to modify their demands in conformity with their legitimate wishes. It was astonishing that though in the administrative side the Reformed Constitution was only transitional, the financial counterpart of it represented an extremely rigid partition of revenues between the Central and Local Governments. The



responsibility of the central authority for the financial stability of the provinces during the earlier stages at least of the constitutional experiment had not been recognised.

Sir J. Jeejeebhoy criticised the exchange muddle, but approved of the military expenditure. After hearing the Commander-in-Chief and the Army Secretary, he objected to surcharges on firewood, etc. but suggested that luxuries like diamonds, jewellery, etc. be taken instead of those settled by the Government. He believed that there must be something wrong with financial handling in the India Office that had made it difficult to raise a good loan in England.

Mr. Shahni said that the Government in England must be asked to make good the loss which India had suffered on account of their exchange policy. Referring to the Army expenditure the speaker welcomed the suggestion of the formation of an Indian Territorial Army. He disliked the duties on matches which would affect the poor, but welcomed the luxury tax. Most members would agree that the postal rates should not be enhanced.

Mr. A. D. Pickford regretted that the Government did not wait for a better year to impose duty on raw hides and skins, and appealed to the Government to drop the duty on tea and hides out of the accounts. It would be to the credit of the Government of India to remove the excise cotton duty.

Mr. Raghubir Sinha condemned the abnormal growth of military expenditure and maintained that the taxation would add to the present discontent.

Bhai Mansing said that the military expenditure was responsible for the deplorable state revealed in the financial statement. He also criticised the growth of expenditure in the civil department of the Government of India, which was due to the appointments of new officers. He said that the Railway Board was too top-heavy.

Mr. Ginwalla criticised the Budget in as much as it affected Burma. He said that he was absolutely disappointed to find that there was no chance of the extension of Railways between India and Burma. He took objection to the high amount of contributions by Burma from its income-tax resources to the Central Government.

#### Ten Minutes' Time Limit.

At this stage, on the motion of Mr. Kamat, it was decided that the time limit for each speaker should be reduced to ten minutes.

Mr. Zahiruddin Ahmed objected to taxation affecting the masses. He said that as a result of such taxation Bolshevism would crop up in the country.

Mr. Samarth, referring to the speeches of the Commander-in-Chief and Sir Godfrey Fell, said that the Army Secretary missed the



real point at issue. The position was that India would not grudge any single pie on military expenditure if Indians were equally admitted to the military training and equipment of the Army.

Sir Godfrey, interrupting, explained that these matters were in the hands of His Majesty's Government, and the Government of India had to follow His Majesty's orders.

Mr. Samarth, continuing, said that this did not satisfy him. For he knew that King's Commissions would never come and that crores of rupees were still non-votable at least for another ten years. He said that the Budget figures were most complicated and should in the future be presented in the manner of the House of Commons.

Mr. Kamat objected to the form in which the Budget was presented, and while agreeing that in all civilised countries the National defence should be the first care of a Nation, he asked Sir Godfrey Fell to quote a single instance where moral and material progress was sacrificed for the maintenance of a costly army. He considered Mr. Hailey's remarks about the Bombay merchants' refusal to pay the bills as unjust and inopportune.

#### Mr. Hailey's Reply

Replying to the general debate, the Finance Member said that the points raised were so numerous that he would not be accused of discourtesy if he replied only to those which claimed immediate notice. For instance, he would not be able to urge Mr. Neogy's claim that Bengal should have a more favorable settlement or that the Central Government should give the jute export duty or a share of income tax to that province, as this question did not immediately arise in the course of the present Budget. Nor would he reply to the various proposals for amendments of the Finance Bill since they would be discussed on the Finance Bill itself. And, finally, he would not deal with the case of military expenditure, not because he was not prepared to defend that expenditure, but because he considered it best to leave the case for the Army Budget in the hands of the Commander-in-Chief. He informed the House that the Military Budget was discussed and re-discussed in the Executive Council as in the case of every other proposal for fresh expenditure. It was criticised by the Finance Department, but when the decision had been arrived at it was the decision of the Government of India. It was constitutionally correct for every member in charge of the spending department to justify the expenditure proposed for his department, but in this case no abler champion of the military case could have been found than in the distinguished personage of Lord Rawlinson.

Coming to the general criticism of the Budget, the Finance Member noticed the criticism of certain members that it was incorrect to state, as done in his opening speech on 1st. March, that the Assembly had a real control over the central expenditure. Different calculations of votable and non-votable expenditure have been made. Taking both capital and revenue expenditure together, the votable amount was Rs. 113 crores against Rs. 105 crores which represented non-votable. It had been stated that this was a year of deficits and that the Budget was not framed on the lines of economy. One member had objected to additional departments. The only department created had been that of Industries. Mr. Hailey asked whether the House was prepared to vote



for its reduction, and claimed that the permanent strength of this department was less than the temporary strength of the Board of Industries and Munitions whose place it was taking. Mr. T. Rangachari had stated that the Government should have been more firm in meeting the demands for increase of pay on the part of its establishment and insinuated that the pay of subordinates would never have been raised, if concessions had not been given to the Imperial Services. The correct figures were that the increase given to the Imperial Services stood at one crore and ten lakhs, and that given to the Provincial Services stood at half a crore, while increments given to Imperial subordinate establishments and Provincial subordinates amounted to four and a half crores and six crores, respectively. He, however, assured the House that Government would do its very best to discuss the question of retrenchment, if possible. He referred to the suggestion for reducing military expenditure by the Indianisation of the service and for the substitution by the territorial force of troops now kept for internal defence, but he reminded the House that his function was to prepare the budget and what he demanded from the house was not visions, but provisions, and asked the members to make up their minds for provisions they would make for the year. He also informed the House that the Government would take expert advice on the question of the improvement of their 3 and 3·5 per cent securities. He referred to Sir Jeejeebhoy's remarks relating to the amount of money available for loans in the London Market in the hands of the India Office, and pointed out that it now seldom exceeded four or five million pounds.

Coming to what one characterised as the Exchange muddle, he said what immediately concerned them was the effect of the sale of Reverse Councils on the present Budget. He asked the House to discriminate between measures taken in order to revalue the Paper Currency Reserve and the actual effect on the current year's Budget of any loss incurred in the sale of Reverse Council Bills. Obviously, the Exchange loss of the coming year, about 5·5 crores, had nothing to do with Reverse Council Bills since this merely represented the country's anticipated cost of sending its money to Home in the coming year. On the most accurate calculation, he could point out that the present Budget had been influenced to the extent of 75 lakhs only by the Exchange policy of last year, that being the interest on such portions of notes placed therein to meet the revaluation of the reserve. Many members had passed remarks condemning the Exchange policy for having brought import trade into its present difficulties. He recognised these difficulties. Mr. Manmohandas Ramji has repudiated the suggestion that the Government be called upon to make up the Exchange loss to importers, and said he saw little use in the Government attempting to bring the importing house and buyers together, though he would like to see them call a Conference to settle the matter. As for the charge of commercial immorality to which they took exception, Mr. Hailey said he did not include all Indian merchants, but merely stated that any attempt to refuse Bills would make India's international credit suffer. However, Mr. Price had suggested the remedy in the removal of restrictions on the export of food-grains and the removal of duty on silver. As for the first, Mr. Hailey pointed out that if Mr. Price could persuade the country to remove restrictions on food-grains, he would be only too pleased to see it. As for the second proposal, the Finance Member pointed out that the imports of silver in the last month amounted to Rs. 78 lakhs which could not have affected trade depression considerably as observed by Mr. Price. Mr. Spence had recommended the removal of the export duty on hides and skins and tea. There would be further opportunity for discussing this, but, for the present, this duty represented Rs. 1·5 crores in the Budget, and if this duty were removed, the gap that was required to be



filled would be considerable. Coming to the provision for Railways, he criticised Sir Frank Carter's statement that the Government had never acted by the report of the Mackay Commission, for in the last two years they had made a provision of 17 and 21 millions, respectively, but if the provision for the coming year was to be increased, it would be necessary to raise large sums of loan money, possibly at a high rate, and he desired to point out again to the House the disastrous effect of this on the existing 3 and 3·5 per cent Government securities. Sir Frank Carter had asked for the assurance that provision for Railways would not be reduced, but Mr. Hailey pointed out that nothing short of a national calamity would induce the Government to reduce provision already made. Touching the question of loans and capital expenditure, he protested strongly against the suggestion put forward by some member that the present deficit be met by loans. He asked the Assembly to realise that the Government was already prepared to raise as big a loan as it could manage, and if they were to make an attempt to meet the deficit from the loan it could only mean resort to a floating debt, in other words for fresh Treasury Bills. He believed that no careful manager of a household or any industrial company could or would attempt to meet this debt by overdrafts, as it had been suggested that the Government should do. The House would naturally ask what must be the attitude of the Government on Expenditure and taxation. After hearing the criticism, Mr. Hailey said if he had got the sense of the House right, there was little objection to his tariff proposals, except in some minor details, but that there was general criticism of the proposals. Regarding postage and those relating to sur-tax of goods, traffic, as far as it concerned firewood, fuel and fodder he could not tell the Assembly immediately what the attitude of the Government would be in face of these criticisms, for the Government would have to await the results of its demand for grants and the manner in which the House dealt with them. When the Government knew that expenditure has finally been accepted by the House, he would be prepared to make a declaration as to how far they should meet the criticism put forward, and modify in any way the scheme of taxation. Concluding, Mr. Hailey said that on 1st March he stood before the Assembly as the Finance Member only, and to-day he found from references to newspapers that he also stood before them in the capacity of an enemy of mankind. (Laughter). But he was glad to recognise that this was not the spirit in which the House had dealt with him. They had shown a spirit which he was proud to welcome and to acknowledge. Neither he nor Government could now dissociate themselves from the Legislature. He claimed that they dealt with the Assembly honestly and frankly, and had placed before the House their difficulties in a spirit of honesty and an attempt to place the fresh burdens on the shoulders of those who could best bear it.

#### DELHI—8TH MARCH, 1921.

On March 8th the general discussion on the budget was resumed. Dr. Sarbadhikari, who was the first to speak, appealed to the Government to do full justice to Bengal and Bombay, both of which wanted a share of the income-tax, and particularly instanced the Calcutta University which required to be reconstructed on the lines of the Sadler commission recommendations. Even if the Government of India failed to do so, he hoped the Secretary of State would intervene and do justice. He urged that the question of a territorial force be taken in right earnest, especially after the



standard of record which the Calcutta University Corps and the Bengal Light Horse had shown. As regards the additional taxation, Dr. Sarbadhikari urged the Government to let alone post-card and newspaper postage, as also those taxes which affected small industries. In conclusion, he said that the semblance of responsibility given to Indians in the Reforms must be well and judiciously exercised.

Mr. Girdhari Lall Agarwala said that there was no justification for the Government's currency policy, and regretted that no provision had been made for Indians in the Royal Air Force, and in other Units of the Army. He suggested that military training should be given to the Indians.

## The Council of State.

*DELHI—8TH MARCH 1921.*

### Release of Martial Law Detenues.

Sardar Jogindar Singh moved the only resolution appearing on the agenda paper recommending that persons detained in India, without trial, and those imprisoned under sentences passed by Martial Law Courts be released, or failing that, be given the opportunity of proving their innocence in regular courts.

He said that he did not intend to awaken any dying controversy, but wished that the last and final act of justice and mercy should be done to the people wrongly detained in gaol.

He regretted to find that, while all influential men had been released, poor men were still rotting in gaol. After all, what they were put to gaol for was for aspiring for the attainment of Swaraj, which had been now admitted by the Government itself as the gaol of Indian aspirations. Then, again, the Government had admitted its mistakes, and had said that the people were wrongly detained.

The speaker, referring to the Komagata Maru incident, said that these people were given false hopes about their arrival in Canada, and when they came back disappointed, the sad events occurred in Calcutta. Consequently, many innocent people were sent to gaol. He believed that if all these persons were released, it would considerably ease the Panjab situation, and greatly calm down the agitation among the Sikhs. This would also restore the lost faith in English justice.

After Sir William Vincent had replied on behalf of Government that out of 1786 prisoners 1700 had already been released, not as a result of evidence but in obedience to the King's Mandate, the mover withdrew his motion.



*DELHI—9TH MARCH 1921*

The President then announced the result of his conversation with the President of the Legislative Assembly about the House Committee, and wanted to ascertain the sense of the House whether they would favour the Joint Committee suggested.

Owing to the absence of Mr. Maricair, his resolution on the appointment of a Committee to enquire into the quantity of rice produced, the quantity required for home consumption and that available for export could not be taken up.

#### *Separation of Judicial & Executive Functions*

Mr. Bhurgri moved : "This Council recommends to the Governor-General-in-Council to make a definite declaration that the time has come for the complete severance of judicial from the executive functions, and that early steps will be taken to accomplish this severance almost immediately."

Mr. Bhurgri said that many high Government officials in the past, including Lieutenant-Governors of Provinces, had expressed their considered opinion in favor of the separation of judicial and executive functions, especially when India had greatly advanced. The public had always suspected the course of justice, where the prosecution itself sat to dispense justice. Unless this loss of confidence in the sense of justice of the country was restored, the administration would suffer for the distrust of the people. The question at issue had been causing great uneasiness for the past forty years, and once this question was debated in the Legislative Council itself, the particular feature of that debate was that all Indians, even those who always saw eye to eye with the Government, voted for the resolution. The agitation to-day was a hundreds times more than before. The Government might argue that the separation of the two functions would involve an extra heavy expenditure in these days of financial difficulties. The speaker emphasised the fact that the country would not grudge a single pie for this great boom, if at all conferred.

Sir William Vincent said that there had been a great controversy for the past many years over the separation of judicial and executive functions, and innumerable statements had been made on this subject, and a great slur had been cast on judges. He related the history of the Government's efforts in this matter since the time of Lord Minto. In all cases, local Governments were consulted, and it was found that the separation of the two functions would bring about great administrative difficulties without bringing in any considerable amount of advantages. It had been alleged that the functions of the prosecutor and the judge were combined



in the same person. It was so. But certain Sections, like 191, were introduced in the Criminal Procedure Code in order to safeguard the accused person from suffering from prejudice at the hands of a judge. He quite realised that certain judges committed mistakes, but such mistakes were existing in all judicial systems of the world. As a result of investigation, it would be seen that many allegations were groundless. He believed that the combination of the two did not generally result in the miscarriage of justice. However, the question of expenditure had to be considered. The administration of justice was now a provincial subject, and the local Governments, in the present circumstances of their revenue, would not favor the idea of spending a good lot on the separation of the two functions, while more urgent works were demanding considerable grants. The Home Member quoted a telegram from the Madras Government, saying that the resolution about the separation of these two functions was discussed and rejected by a majority. This was how one local Government thought of this question. It would not, therefore, be just on the part of this Council to press on the local Governments this reform. The expenditure had to be borne by the local Government, and therefore, they should be left for themselves to see what need they should first attend to. He, however, gave this assurance that if any local Government came to him with the proposal for the separation of the two functions, the Government of India would not stand in the way, and would introduce the necessary legislation to effect the needed reform in any particular province. But the Council should leave the hands of the local administration absolutely free. (Applause.)

Sir Umar Hyat Khan, Sir M. Dadabhoy, Mr. Sastri, Lala Sukhbir Singh and others supported the resolution.

Sir Dinshaw Wacha considered this question as the *Odyssey* of Indian Legislation. He and Mr. Gokhale brought this matter before the Welby Commission many years ago. He thought that the question of finance would not be much troubled in bringing about the reform sought for by the resolution which he supported.

Mr. Bhurgri withdrew his resolution by the leave of the Council.

#### Export of Food Grains

Sardar Jogendra Singh moved a resolution providing for the restriction of export of food grains.

The President asked how the resolution differed from a similar one discussed the other day.

Sardar Jogendra Singh said that the former resolution touched



only rice, and the present one dealt with all food grains. He read a lengthy speech with the object of showing how the export of such grains did not hurt the raiyat. He estimated that 13 to 14 per cent of food grains was available for export without harm to India. Prices would not be increased, nor could a financial trouble follow the unrestricted export of food grains. Ceylon and Mauritius and other countries suffered from the restriction now in force regarding the export of grains. It was not the economic interest of the country to continue the embargo on the export of food grains.

The resolution was carried.

## The Legislative Assembly

*DBLHI—9TH. MARCH 1921*

### Voting on Demands for Grants.

The House proceeded with the second stage of the Budget, viz., submission to the vote of the Assembly the demands for grants which were moved by the Members of the Government.

Mr. Innes moved that Rs. 66,95,000 under the head, 'customs' be granted.

Sir Sivaswami Iyer moved the first motion for the omission of Rs. 1,000 for liveries and clothing for superior officers, which was rejected by the House.

Mr. V. Raju moved that the lump provision for the revision of establishment at the Madras Customs House be reduced by Rs. 50,000.

This was carried, but the same Member's request for the reduction of local allowance from Rs. 94,139 to Rs. 69,576 was rejected.

Sir Sivaswami Iyer moved for the omission of Rs. 2,400 for contribution towards the maintenance of Customs Recreation Club, Bombay. The motion was carried, 51 voting for & 39 against it.

Mr. Venkatapathi Raju next moved for the reduction of local allowance to establishments in the Sindh Division from Rs. 62,137 to Rs. 42,639, which was carried.

The same Member wanted a reduction of the local allowance allotted to the Cotton Excise Establishment of the Sindh Division from Rs. 5,039 to Rs. 2,756. This was carried.

Mr. Venkatapathi also moved for the reduction of provision for the Executive subordinates and the Customs Preventive Establishment in Bengal from Rs. 5,25,000 to Rs. 5 lakhs. This was rejected.

His next motion for reduction from Rs. 383,000 to two lakhs under lump provision for revision of the Calcutta Customs Preventive Establishment elicited a lengthy debate. The motion was lost 44 voting for & 46 against it.

Mr. Venkatapathi Raju then moved that the provision of



overtime and holiday allowances and fees for appraiser's establishment in Bengal be reduced from Rs. 3,75,000 to Rs. 3,05,000. But after Mr. Inne's reply, he withdrew it.

The same Member urged for the reduction of the lump provision for the revision of establishment under contingencies in the establishment in Bhamo (Burma) from Rs. 32,18,000 to two lakhs.

Mr. Hailey assured the House that all lump provisions in the Budget would be placed before the Standing Finance Committee, but he wanted the House to give the Government powers to deal with cases of extreme emergency.

Thereupon, Mr. Venkatapathi Raju withdrew the present as well as one of the two other similar motions of which he had given notice.

Mr. Rangachari also withdrew the motion, by which he wanted a reduction of ten lakhs under the head "Customs."

Mr. Inne's original motion for the grant of Rs. 66,95,000 was formally withdrawn, and the motion for grant of Rs. 66,21,000 was accepted, as the result of several reductions having already been agreed to, but, with a provision that, in respect of all sums voted as lump provisions, no expenditure should be incurred, save with the concurrence of the Standing Finance Committee and subject also to the right of the Government to incur emergent expenditure.

#### Taxes on Income.

Mr. Hailey moved the second demand, that is, a grant of Rs. 2,83,000 under the head taxes on income.

Sir Sivaswami Iyer moved for the omission of the provision of Rs. 37,200 for two Deputy Commissioners in Madras. He said that his object was rather to elicit information as to the necessity of such large establishments in Madras as set down in the Budget. Why not Collectors, the greater part of whose work had now been transferred to local authorities, supervise the work of the Income Tax Department?

Mr. Hailey pointed out that it was assessee themselves who had demanded greater attention in the preparation of income-tax work and the study of laws. In consequence, there was a large increase of work, with a view to accurate and profitable assessment. Mr. Hailey quoted figures of several provinces, including the Punjab, to prove that there was necessity for a high paid export establishment to deal with the work. The work of two Deputy Commissioners was to hear appeals from assessee, a work which could not be any longer entrusted to Collectors. The conditions in Madras were peculiar, as might be gathered from the resolution of



Mr. Maricair moved the other day, and, therefore, there was necessity for these two officers who were to deal with high expert work of the income-tax assessment.

After hearing the Finance Member, Sir Sivaswamy declined to take responsibility of forcing the motion, which was afterwards withdrawn.

Sir Sivaswami Iyer moved for the omission of Rs. 1,200 provided for the commissions paid to private individuals, which was carried.

Sir Sivaswami Iyer then withdrew several motions, by which he wanted the omission of several lump provisions under this head, and said that after the agreement arrived at this morning that all these lump provisions would be scrutinised by the Standing Finance Committee, he did not want to press them.

Mr. Peari Lal Misra moved that Rs. 1,47,720 provided for Deputy Commissioners and Collectors of income-tax in the Central Provinces, be reduced to about Rs. 96,000 odd. This was rejected.

Mr. T. Rangachari moved that the total demand moved by Mr. Hailey under income-tax be reduced by Rs. 8,03,060. He quoted figures to show that the sum demanded for the coming year was more than three times what it was in 1919-20 at twice what was for the current year. He objected to such an enormous growth of expenditure under this head, and appealed to the House to support his motion.

Mr. J. Chowdhuri claimed for some concession to Bengal, which was most hard pressed on the financial side. Mr. Neogy also supported.

Mr. Mazumdar said that he had come to like Sir Godfrey Fell, in spite of all his prejudices against him, for reasons which he could not tell. Sir Godfrey Fell had told the Assembly, the other day, that the more they paid for the Army, the better it was for India. Now it looked that Mr. Hailey was arguing that the more they paid for the income tax officers, the better it was for India. All that the speaker could say was: "Save me from my friends."

Mr. Hailey briefly replied, justifying the expenditure which, he said, was necessary in order to equalise the work and bring in more money. The motion was rejected.

At this stage, Mr. Hailey reiterated that lump provisions under this head also would be scrutinised by the Standing Finance Committee, and asked the House to withdraw the motions relating to them. This was agreed to, and the demand for income-tax, as amended, was accepted.



## Demand Under Salt

Sir Thomas Holland moved the budget head under Salt, and demanded a grant of Rs. 1,17,95, 000.

Mr. Venkatapathi Raju moved that the provision of Rs. 10,87,680 for Assistant Inspectors be reduced by one lakh.

Sir Thomas Holland pointed out that the provision objected to was complicated, and the Government were now going into the details and would place the whole matter before the Standing Finance Committee.

At this assurance the Mover withdrew his motion.

Mr. T. Rangachari moved that the total demand under salt be reduced by 25 lakhs. He pointed out that several items like the local and other allowances were too large to be accepted by the House. He did not wish to press his motion after hearing Sir Thomas Holland.

The total demand for salt was put and carried.

DELHI—10TH. MARCH 1921

## Replies to Interpellations

Replying to Mr. Lathe, the Army Secretary said that the Government had seen the allegations contained in the *Bombay Chronicle* of the 24th ultimo about "the wide-spread and well-known corruption and inefficiency that had come to characterise all branches of the Army Department", but it was not intended to hold any enquiry into these allegations.

Replying to Sir Sivaswamy Iyer, Mr. O' Donnell said that the political section of the Home Department was created in 1917. No Indians were in this section. Secret work was done in other sections of the Home Department, besides political, where Indians were doing secret and confidential work. It was a fact that the files of the political section of the Home Department, when referred to the other Departments of the Government of India or to the office of the Director of Intelligence Bureau, were dealt with by Indian members of these departments without any objection. The question of throwing open the political section to Indian Superintendents and Assistants was purely for the head of the department to decide, with due regard to his responsibility for efficiency.

Replying to Mr. Joshi, the Revenue Secretary said that the initiative in the matter of abolition of forced labour and impressment of carts and other conveyances rested with the local Governments. The Government of India would, however, investigate this question in so far as it concerned the territories having no Legislative Councils.



**Budget Head under Opium**

Mr. Hailey introduced the budget head under "Opium" and demanded a grant of Rs. 1, 50, 73, 000.

Mr. Venkatapathi Raju desired that the provision of Rs. 5, 31, 300 as salaries for Ghazipur staff of sub-deputy agents and assistant agents in the United Provinces be reduced by one lakh.

Mr. Ginwala supported Mr. Venkatapathi Raju, but his motion for reduction was lost.

Mr. Rangachari demanded a total reduction by twenty lakhs. He pointed out several items under this head, in regard to which there was not sufficient indication as to the necessity for an increase of the provision.

Mr. Hailey promised from next year to supply the Members with a memorandum showing the reason for increase in these allotments. If they had not done so this year, it was because the Government were novices equally with this Assembly in regard to these requirements. He then explained the necessity for allotment, and said that the Government were under obligation to supply opium to other countries, and there would be a breach of contract if these provisions were not granted.

Mr. Rangachari, thereupon, withdrew his motion. Mr. Hailey's demand under head "Opium" was then granted.

**Land Revenue**

Mr. Hullah, Revenue Secretary, moved for a grant of Rs. 967,000 for land revenue.

Mr. Seshagiri Iyer moved that the provision of Rs. 1,02,750 for Coorg be reduced by Rs. 50,000. He said that he could not understand why the revenue administration of Coorg be kept in the hands of the Central Government, instead of being shifted to the Madras Government, which would carry the administration much cheaper than at present.

Sir Sivaswamy Iyer objected to dragging the large question of annexation of Coorg to Madras in a budget discussion. The question required a separate and thorough handling before final decision.

Sir William Vincent said that the people of Coorg, as a whole, preferred to remain a separate entity under the Government of India. If it was later found advisable in the interest of Coorg, and in accordance with the wishes of its people to annex to the Madras Presidency, or effect any other reforms, the Government of India would be prepared to consider it. Mr. Seshagiri had really brought a large question under the guise of demand on grants.

Mr. Seshagiri Iyer, replying, felt surprised as to why Sir Sivaswamy was so stiff-necked in his opposition to the proposal



especially when he had been a Member of the Madras Executive Council. The speaker had brought forward his motion only to elicit information and to draw the attention of the Government for more efficient working of the administration in Coorg.

The motion was by leave withdrawn, and the original Government motion for grant of Rs. 9,67,000 was carried.

Mr. Innes' demand for Rs. 1,29,000 under Excise was granted without any opposition and reduction. Similarly, Mr. Hailey's demand for Rs. 4,24,000 under Stamps was sanctioned.

#### Forests

Mr. Hullah wanted Rs. 25,70,000 under the head "Forests," Mr. Venkatapathi Raju urged reduction by one lakh of the provision of Rs. 1,57,940 for Extra Assistant Conservators and other supervisors. He referred to the growth of the figure under Salaries from Rs. 53,220 in 1920-21 to Rs. 1,57,940 during the coming year, and saw no justification for this sudden increase of more than twice the amount, which only affected the poor tax-payer. He found no hopes of inducing the Government to cut down the expenditure, when items like this grew in one year to twice its size.

The motion for the reduction was put to vote and carried by a large majority.

Mr. Rangachari moved that the demand under 'Forest' be reduced by three lakhs. He disclaimed any intention for standing in the way of the most needed developments in forests, but he found that there was nothing shown to indicate that increased provision would be utilised for the industrial and commercial development of India.

Mr. Sarma said that the Imperial Forest Service was votable, while the salaries of the Provincial Service were not. It was now under consideration whether the Imperial Forest Service should be recruited in India or in England. Then again, the Research Institutes and Forest College in Dehra Dun were to be improved to afford higher and up-to-date education in Forestry, and expert staff was now being engaged. He assured the House that only a minimum provision for Forests had been demanded.

The motion was thereupon withdrawn, and the reduced sum under the head "Forest" amounting to Rs. 24 70,000 was carried.

#### Registration

The demand of Rs. 2,500 for Registration was carried without discussion.

#### Railways

Col. Waghorn introduced the head under 'Railways,' and demanded grant of Rs. 61,68,61,000. Mr. Venkatapathi Raju, who



urged the reduction of working expenses from Rs. 58,21,72,000 by five crores, pointed out that Railways were purely worked as a commercial concern, and the House must deal with it on business-like principles. In countries like Canada, the working expenses on Railways came to about fifty per cent and he, therefore, did not understand how it could come to 66 per cent here in this country. Col. Waghorn referred to the increase in the cost of fuel and of renewals of the rolling stock, permanent ways, etc., which were kept in abeyance during the War, besides extra remuneration to employees. Otherwise there was no increase over the present year's figure.

Mr. Anna Bapajee Katha also moved for the reduction of four crores under the head "Railways : working expenses." He said that while he was in full sympathy with the proposal of spending more money on renewals of the rolling stock and permanent ways, he should ask the House to remember that considering the rate of progress on these renewals during the current year, the Assembly should not vote for the huge sum under this head.

Sir George Barnes, replying, pointed out that the increase of 61 lakhs was due to increase in the price of coal, and some other increases on account of the increase in the wages to employees. The plain fact was that owing to the scarcity of getting material during the war the Government could not renew the wear and tear. Now that the War was over, they had to renew the whole machinery which would cost enormously.

Mr. Pickford supported every word of Sir George Barnes, and referred to the damaged condition of rolling stock, making passenger traffic unsafe. He appealed most earnestly to the members against any policy of retrenchment which would only injure the best interest of the country.

Mr. Price mentioned instances in the past when the Railways were closed for lack of rolling stock. He said that it would be a disaster to the Panjab and Sindh if the N. W. Railway traffic was not improved.

Mr. H. Vishandas endorsed Mr. Price's remark, and said that there should be no reduction in the interests of the country at large. Mr. Hussain Ali said that the question was not of providing money, but whether the money provided would be utilised for the affixed purpose. If the Railway Board could assure that they would be able to get rolling stock from England this year, he would support the total amount for working expenses.

Mr. Rangachari had no objection to the working expenses being granted if it was for the renewal of rolling stock and permanent ways. He asked why the Government should not get these stock



from France and other countries, where their price was stated to be cheaper ?

Mr. B. S. Kamath objected to improving the pay of the staff to the detriment of rolling stocks, and particularly, instanced the case of the G. I. P. Railway in respect of which there was an increase from seventy six to ninety lakhs on the salary of General Superintendents, whereas increase in its expenditure on the rolling stock was comparatively very small. He took strong exception to this feature of the railway administration, and asked why Superintendents and other officers should be brought from other countries, and paid very high salaries, thereby finding it difficult to improve the rolling stock.

Colonel Gidney objected to the motion for the reduction, and took strong exception to the question of racial distinction brought in by Mr. Kamath. He said that the test was of fitness for service. If Indians went in large numbers to England and trained themselves in particular lines, they were equally eligible to fill the engineering and other technical posts. He drew the attention of the great agitation now prevailing among the railway staff, and any reduction in their salaries would mean disaster to the country. He emphasised that there was no question of race in filling the engineering posts.

Dr. Gour said that the whole question was that there was always a distinction in the salaries of Europeans, Anglo-Indians and Indians doing the same work. If the railways were to be worked on economic lines, the posts should be open to men of merit without distinction of particular community. The Europeans and Anglo-Indians should be paid the same as Indians. Otherwise the railways would be very expensive. The principle dominating the administration should be fair-play and no favour.

Dr. Nand Lal pressed for a larger introduction of the Indian element in the working of railways.

Mr. Venkatapathi Raju said that he did not stand in the way of any useful expenditure, but merely objected to increasing several unnecessary items, which could easily be brought down. He wanted an explanation as to why the working expenses were increasing abnormally, especially when they were thinking of raising special loans. Unless the Government would promise to scrutinise the necessity for such abnormal increase, he must press his motion.

Mr. Jadunath Mazumdar supported the motion for the reduction, while Mr. Ginwalla opposed it.

Col. Waghorn, replying to the debate, assured the House that this year the Government hoped to carry out renewals more than last year, and wanted them to believe that every possible effort would be made to improve the rolling stock, permanent way, etc.



Mr. Lathe urged that four crores should be deducted from the working expenses under railway demand. He urged the same arguments as were urged by many non-officials on Mr. V. Raju's motion, and pointed to the huge deficit they were working under.

Col. Waghorn and Sir George Barnes asked the House not to vote for the reduction, as it would defer many urgent and important works contemplated, and appealed to Mr. Lathe to withdraw the motion.

The motion was, however, pressed and lost.

Sir Sivaswami Iyer moved for the reduction of the cost of the Railway Board by Rs. 8,30,000. He narrated the disgraceful condition of the South Indian Railway, especially in the far south, and expressed the feelings of the people that the rates were so manipulated that they encouraged more external trade than internal trade. He had seldom heard anyone saying a good word about the Railway Board, which, as a whole, had not done anything to advance railway construction. In the Madras Presidency, the interests of Railway construction would have been safer without the Railway Board. Mr. Tomkins, Joint Secretary of the Railway Board, in his evidence before the Railway Committee, had shown how far the Railway Board had not been able to serve the purpose of remedying the complaints against the callousness of the Company. Sir Sivaswami Iyer observed that the Railway Board had been a source of obstacle and an engine of delay for useful programmes and he would therefore wish it to be replaced by some suitable substitute.

Sir Sivaswami withdrew the motion, and the grant under the railway head amounting to Rs. 61,68,61,000 was carried.

The demand was accepted.

#### **Irrigation**

Sir Sydney Crookshank introduced the head under "Irrigation and Water-Ways," for which he demanded Rs. 2,69,000.

#### **Posts and Telegraphs.**

Mr. Innes moved that the grant of Rs. 10,78,02,000 be made for Posts and Telegraphs.

Mr. Venkatapathi Raju moved that the provision of working expenses amounting to Rs. 8,38,82,000 be reduced by one crore. He drew attention to the pre-war figures for the same head, and said that the figure for the next year stood 200 per cent higher than five years ago. Every year the working expenses were going up by leaps and bounds, and the time had come for reduction.

Mr. Innes said that the motion for reduction would do enormous harm. The expenditure on Posts and Telegraphs was grow-



ing, because expansions of these services were undertaken every year, and also because, as it was well-known, there had been large increases owing to economic conditions, and Mr. Venkatapathi Raju could check these economic conditions with the same result as King Canute did on the exercise of his will over the waves of the sea. The speaker cited the example of the House of Commons, where reduction was never resorted to, unless it meant a vote of censure on the Minister in charge. The expenses under the head, he said, were essential for the efficient working of the department.

The motion for reduction was put and lost.

Mr. Joshi moved for reduction on Rs. 1,200,000 demand for Posts and Telegraphs. He said that retrenchment could be effected by stopping the creation of new posts and by postponing a certain number of new buildings. He said that the expenditure on new buildings should be reduced to ten lakhs.

Mr. Joshi's motion was put to vote, and declared carried. When a division was demanded, the result was that 47 voted for and 42 against.

Mr. Samarth moved that in the demand for Posts and Telegraphs, the amount of Rs. 10,78,02,000 be reduced by Rs. 11,002,000. He said that a reduction should be made in the amount entered in the columns for capital outlay. He pointed out the wrong entry of capital outlay on Posts and Telegraphs in the statement of expenditure charged to the revenue of the Central Government in India. Mr. Hailey accepted the proposal to the extent of one crore of rupees. The reduced demand for Posts and Telegraphs, amounting to 77,80,02,000 was accepted.

#### DELHI—11TH. MARCH 1921

The Assembly met again on the 11th. and the discussion on grant was continued.

The demand under the head, "Interest on Miscellaneous Obligations" amounting to Rs. 2,30,77,000, was granted without discussion.

#### General Administration

Mr. O'Donnell introduced the Budget head under the "General Administration", and demanded a grant of Rs. 65,03,000.

Mr Venkatapathi Raju, in moving that a provision of Rs. 60,000 under the head of "Executive Council" be omitted, drew attention to the fact that the place of Sir George Barnes, who was about to retire, should not be filled and the number of Executive Councillors should be six and not seven.

Sir William Vincent, replying, stated that at present there was no intention of giving the place of Sir George Barnes to a



new Member. The provision that was sought to be omitted referred to travelling allowances to Executive Councillors. There were a lot of complaints from several parts of the country, which required to be attended to by tours. Further, the members themselves often felt the need of getting into touch with commercial centres, and so it was not advisable to cut out this sum. They should not do that, unless the House wished to curtail the touring of the Executive Councillors.

The motion was rejected.

#### *Inspector of Office Procedure*

Mr. Mazumdar moved that the item "Inspector of Office Procedure" carrying a salary of Rs. 27,450 be omitted. He could not believe that the Home Member or any other Secretary could say that they had in their old age forgotten the Office procedure. He said that the salary of this Special Officer was put as non-votable, but he could not understand how.....

Mr. Hailey interrupted and said that he was sorry that there was a misprint. The salary was votable.

Mr. Mazumdar said that he was surprised that this misprint should have escaped the notice of the Inspector of Office Procedure himself. (Laughter.)

There was a good deal of heckling over this matter and eventually the motion was lost.

#### *Publicity Section*

Mr. Bhai Man Singh next moved that the provision of Rs. 18,000 for the salary of two officers on special duty in the Home Department be omitted. He said that he was under the impression that this special branch was doing some secret service, and he did not want the Government to have any officers on such high salaries for this purpose.

After Sir William Vincent had replied showing the importance of publicity work on behalf of Government Mr. Bhai Man Singh asked for permission to withdraw his motion, as he was not previously aware of all the facts that were given out in the course of the debate. But his personal belief and personal experience was that more of falsehood and less of truth was being spread by the Punjab Publicity Bureau, which, in effect, were calculated to do more harm than good.

#### *American Lecturer to India*

Mr. Kamat moved that the provision of Rs. 25,000 for charges in connection with the visit of an American Lecturer to India be omitted.



Sir William Vincent emphasised the ignorance that prevailed in the United States about Indian affairs, and quoted instances of gross misrepresentations spread there by the Indian revolutionary, otherwise called the Ghadr party, about Indian state of affairs. The Government intended to call an American lecturer of very high repute who could attract audience by thousands to come to India, and after studying its position to go back to America and supply most accurate information. The step was taken in order that America might be able to appreciate at what stage the people of India had reached in the political, social and educational spheres.

The motion for the reduction was put and carried by a majority.

#### Administration of Justice

Mr. O'Donnell moved that the grant of Rs. 4,47,000 under Administration of Justice be granted.

Mr. Norton moved for the reduction of Rs. 10,000 from Civil and Sessions Court, and Rs. 10,000 from Criminal Courts. He said that his object was to secure a reduction of Rs. 20,000 in order to enable the Government to provide the Assembly with an adequate library, so as to enable the members to come prepared after reference to books. In order to secure retrenchment for this purpose, he wanted to attack the "Ecclesiastical head", but finding that it was not votable he wanted to cut down the Viceroy's household. But, as he did not like to inconvenience the new Viceroy, he had, however, regretfully to resort to "Administration of Justice". He wished that the Government would show charity, latitude and benevolence in this matter of providing a library at Delhi.

The President said that Mr. Norton had not, from the first to the last word, touched the administration of justice, and the reason why the speaker was not stopped was that he was touching a subject of great importance to the House. However, he would not allow the same amount of latitude to other speakers, except the Government Member, who, if he liked, could touch the question of the provision of a library.

Sir William Vincent assured that he would approach the Finance Member to provide money for a library at Delhi, but he did not see the reason why the administration of justice be made to suffer for it.

After this assurance, Mr. Norton withdrew his motion. The original motion for the grant under the "Administration of Justice" was thereupon carried,

#### Goals and Convicts' Settlements

Mr. O'Donnell introduced the head under "Gaols and Convicts Settlements", and wanted sanction for Rs. 31,26,000,



Mr. Rangachari moved for a reduction by Rs. 21,200, and pointed out the growth of increase of expenditure in respect of the rates paid to steamers which carried convicts to the Audamans.

After Sir W. Vincent had explained the Govt. position the motion was withdrawn, and the total demand granted.

#### Police

Mr. O'Donnell moved for the grant of Rs. 2,92,100 for the police. The motion was carried.

#### Ports and Pilotage

Mr. Innes moved for grant of Rs. 11,68,000 under "Ports and Pilotage" which was agreed to.

#### Survey and Meteorology

The demand for the Survey of India amounting to Rs. 2,83,000 was also carried.

The Revenue Secretary then demanded Rs. 4,57,000 for meteorology.

#### Geological Survey, etc

Demands for the geological survey amounting to Rs. 1,64,000 and for the botanical survey amounting to Rs. 1,37,000 were also granted.

Mr. Sharp moved for the grant of Rs. 1,11,000 for the zoological Survey, which was agreed to after some discussion.

#### Archaeology

Mr. Sharp moved for the grant of Rs. 14,55,000 for Archaeology.

Sir Thomas Holland moved for Rs. 1,60,00,000 (?) under "mines", which were granted.

#### Science and Education

Mr. Sharp demanded Rs. 3,54,000 for other scientific departments and Rs. 18,49,000 for education. Both were granted without discussion.

#### \* Medical Services

Mr. O'Donnell moved for the demand of Rs. 16,24,000 for Medical Services.

Mr. Rangachari, in urging a reduction of the demand for medical purposes of Rs. 16,24,000 by six lakhs, appealed to the Government to give effect to the popular wishes in regard to the encouragement of Ayurvedic and Unani systems of medicine.

Sir William Vincent, on behalf of the Government, referred to the promise he gave last year to Mr. Haroon Jaffer in regard to the encouragement of the Unani and Tibbi College in Delhi if the



authorities of that institution would approach the Government with a properly considered scheme. But, for some reason or other, Hakim Ajmal Khan, who was the head of that institution, refused to come for a grant. The speaker had no doubt that Non-Co-operation was responsible for that (laughter), and the institution was conducted on principles opposed to a "Satanic" Government. (Laughter)

On this assurance, Mr. Rangachari withdrew his motion, and the total demand asked for was granted, which was accepted.

Mr. Sharp moved for the grant of Rs. 11,30,000 for public health.

*DELHI—14TH MARCH 1921.*

*Agriculture.*

Mr. Hullah, Revenue Secretary, demanded Rs. 7,50,000 under agriculture.

Rai Sahab Lakshmi Narayan Lal moved for the omission of a lump provision of Rs. 18,820 for the Gazetted staff, Pusa.

The motion for reduction was put and lost.

Mr. Shahani moved for reduction in the provision for agricultural and veterinary periodicals. He said that his intention really was to draw the attention of the Government to the necessity of increasing grant under this head.

Mr. Hailey assured that the Government would try to meet the wishes of the mover for an increase under this head.

The motion was withdrawn.

Mr. Shahani also moved for the omission of Rs. 15,000 provided as grant to the Indian Tea Association. He pointed out that there were other industries like cotton, which required to be encouraged more than tea.

Mr. Hullah emphasised the fact that this was the opportune moment for a grant, and that any renewal of it would be placed before the Finance Committee.

The motion for omission was negatived and the total demand was accepted.

Mr. Hullah next demanded Rs. 5,87,000 under "Civil Veterinary Services."

Mr. Badge pressed for reduction of Rs. 11,290 provided for a Veterinary Deputy Superintendent by Rs. 8,000.

Mr. Hullah accepted the reduction to the extent of Rs. 7,650.

*Industries.*

Sir Thomas Holland next moved for a grant of Rs. 6,43,000 under the head "Industries."

Mr. Shahani asked for the omission of Rs. 10,000 provided as the salary of the Manager of the Acetone factory at Nasik.



The motion for reduction was put and lost.

Mr. Lakshmi Narayan Lal moved for the omission of Rs. 53,750, provided for the revision of the Nasik Acetone Factory.

Sir Thomas Holland briefly replied, pointing out that even this sum was not sufficient for the purpose.

The motion was lost.

Sardar Gulab Singh moved for the reduction of the total demand by Rs. 1,73,000, and suggested that the same expenditures under consideration like those of Acetone factory might be put off till next year, and only those of extreme urgency taken up.

The motion was put and lost.

#### Aviation.

Mr. Innes demanded Rs. 55,000 for aviation.

Mr. Lakshmi Narayan moved for the omission of Rs. 30,000 provided for an aerodrome at Allahabad which was negatived.

#### Other Grants.

Mr. Innes moved for the grant of Rs. 25,800 (?) for commercial intelligence.

Mr. Sharp's demand, under the head "Census," for Rs. 2,465,000 was accepted without any discussion.

Mr. Innes next moved for the grant of Rs. 1,53,000 under the head "Emigration".

Mr. Innes' demand for Rs. 1,79,000 under the head "Registrar of Joint Stock Companies" was accepted without discussion.

Mr. Hailey moved for grant of Rs. 12,12,000 under miscellaneous departments.

#### Imperial Library.

Dr. Gour moved that the provision of Rs. 72,000 for charges in connection with the Imperial Library be omitted. He objected to the library being located in Calcutta when the Imperial Capital had been removed to Delhi. If this library was being taken advantage of by Bengal, its cost should be borne by the local Government. After a good deal of discussion in which much jealousy was shown by some members for the location of the Library at Calcutta, the motion for reduction was put to vote and lost.

#### Currency.

On the motion of Mr. Hailey the grant of Rs. 31,30,000 under "Currency" was carried without discussion.

#### Civil Works.

Sir Sydney Crookshank moved for grant of Rs. 1,19,50,000 under Civil Works, including expenditure in England.



**Viceregal Estate.**

Dr. Gour moved for the reduction of Rs. 5,00,000 for the Viceregal estate. He said that he failed to see the necessity of providing such huge sums for the Viceregal estate, which, after all, was a temporary house, which had, in future, to be shifted permanently to Raisina in New Delhi. An important question to be decided was whether the Government would go on spending large sums of money over temporary buildings.

The amendment was put and lost.

**Motor-bus Service**

Dr. Gour moved that the provision of Rs. 26,50,00 for motor-bus service for conveyance of the Government of India establishment be omitted. The motion for reduction was put and negatived.

**Extension of Longwood Hotel**

Dr. Gour moved for the omission of Rs. 84,000 intended for the extension of the Longwood Hotel in Simla, which, it was stated, was to provide accommodation for members of this Assembly during the Legislative Sessions there. Dr. Gour objected to this expenditure, so long as the real question, whether or not any legislative business was to be transacted in Simla during the autumn, was not settled. He pressed that this expenditure should be deferred until they decide that question.

Mr. Hailey wanted that this motion should be deferred till Mr. Seshagiri Iyer's motion regarding the exodus to Simla was decided. The House agreed to this arrangement.

**Simla Exodus**

Mr. Seshagiri Iyer then moved that the provision of Rs. 5,64,500 for building a Council Chamber for the Legislative Assembly in Simla be omitted. He said that the opinion outside this House was unanimous that there should be no legislation from hill tops. (Cries of No, No) The Madras Government had, in deference to the persistent voice of the Presidency, decided that there should be no legislation from its summer Presidency at Ootacamund, and that the Government had agreed to move down to the plains whenever there was any legislation. The speaker thought that this Assembly should convey their heartiest thanks to Lord Willingdon for the exceedingly good example he had set in this question. This Assembly must imitate the example of that benighted Province and later on resolve that there should be no legislation in Simla. The Government had told him that the cost of the temporary Council Chamber was Rs. 3,85,000 and that of the residential accommodation of Members was Rs. 6,32,000. Thus, a sum of nearly ten lakhs had already been spent, and when the Council



Chamber had been completely built it would have cost Rs. 20 lakhs. For a very long time, it was tacitly understood that there should be no contentious legislation from the summer residence, but those were the days when there were no representatives of the people in the Government. But, after that, when the Councils came into existence, there was persistent agitation against legislation from the summer residence. This was not heeded to, and the result is known to all. One Parliamentary Committee in England had condemned that the army headquarters should have been in Simla. If that could be so in regard to Executive Council being in Simla, there was greater reason why legislative members should not be asked to go up to Simla. Mr. Seshagiri Iyer suggested that legislative business might be held in Delhi throughout the five cold months with a short recess, and if there was any urgent legislation to be transacted during the autumn, then the Government should come down to Delhi for a few days for the purpose. We are not made of ice, concluded the speaker, and we can share the sufferings of the people living here for a few days. All shades of opinion in India, whether European or Anglo-Indian, or Moderate or Nationalist, are unanimous that there should be no legislation from hill-tops, and by your vote this afternoon you will tell the people whether you are truly representing them in this Assembly or not.

Sir William Vincent said that the Government's position was absolutely neutral, and the question at issue was purely a matter of choice by the Assembly. His personal opinion was that the Members would find it extremely inconvenient to work here in summer, and he would suggest that, before finally deciding the issue, the House should serve here for one summer season and then see whether they would stick to Delhi for all seasons. His personal opinion was that the Assembly should wait for another six or seven years till permanent Chambers were built here. It would be impossible at present for the Government to sit here for 12 months for lack of accommodation, but if the Assembly decided in favour of Delhi only, the camp offices should be brought down to Delhi. He informed the House that the Legislative Chamber in Simla was already nearing completion, and that the building now could not be dismantled. Communications in Simla were now quite up-to-date and accommodation was abundant. The late Chief Commissioner of Delhi, Mr. Hailey, could tell the House of his experience of Delhi heat. Perhaps, he took bags of ice with him. (Laughter.) He asked the Members whether they would like to motor down to the Council Chamber from Raisina which was at a distance of seven miles. However, the House should decide what was the most advantageous for the conduct of public business.



Dr. Nandlal, opposing the motion, said that the session in Simla would mean more out-put of work and less inconvenience. He said that the Members would die with heavy work under the scorching heat of Delhi sun. As for the remoteness of Simla, he said that newspapers could inform of the public feelings to the same extent.

Mr. Sarma said that it would take several years before Delhi could be made to suit the needs of the Government. Moreover, the Government had already spent four lakhs on the Simla Council Chamber, and it would be wasteful expenditure to suddenly stop this building. As for expensiveness, he said that there would be no saving in keeping Delhi for the summer session. From his personal experience he could say that he felt much fitter to work in Simla, and it would be truly democratic to walk in the nice climate of Simla hills. Coming to the question of public opinion, Mr. Sarma said that there was really no difference between Delhi and Simla, as both were not intellectual centres, and the Members could not possibly expect any very great help from public opinion in these two places. Both these capitals were in one corner of India. He, therefore, said that on the grounds of economy, finance, convenience and public opinion there was not much to prefer Delhi to Simla.

Dr. Sapru said that the Government Executive Members could not vote on this resolution. As they wanted to remain neutral, the Government would examine the results of the debate carefully and put it before the new Viceroy.

Mr. Ujagar Singh Bedi strongly opposed the motion, and, among other things, he said that the efficiency of Government work would suffer if they adopted the resolution.

Mr. Rangachariar, who had himself often gone to Ootacamund during his High Court vacation, said that he spoke there not as Mr. Rangachari, but as a representative of millions of people in his Presidency. (Hear, hear.) He asked: Did not their fathers and forefathers do their work in the plains? Did the Kings of old go to Simla or Darjeeling or Ootacamund to transact their work. He knew that the bureaucracy would persist in going to the heights of Simla to administer the country, but he never knew that there would be brown bureaucrats also. He was rather surprised that his hon. leader, Mr. Sarma, at whose feet he learnt his lessons, who, as President of the Madras Mahajana Sabha, had drafted telegram after telegram in vilifying the wicked bureaucratic Government for going up to summer residences, had now stood up to defend the climb to Simla. Eminent persons, like Raja Sir Madhava Rao and Dr. Miller, had entered their most emphatic protest against this



sort of migration. Mr. Sarma said that the new Viceroy was coming, and he would decide the question. But the speaker said that the Viceroy being new, he would like to know the views of this Assembly. He, therefore, said "do work for the people, do their work, feeling as they do." The responsibility for our decision rests with us—Indians. I look for a day when our people, the masses, will also send their representatives here. How do you expect them to afford to go on to legislate in the cool heights of Simla? Surely, that is a tall order. I am surprised that the people of the Panjab are rising to oppose the motion. Would they have liked to be in the heights of Simla when the Panjab disturbances took place? Would you have been in a position to read newspapers to know what was happening in Amritsar and other places? Is that the conception of our duty here as legislators? If you had been in the cool heights, when these happenings took place, would you have been able to influence the Government? Even in the plains you were not able to do anything. You would have been in a much worse position if you had been in Simla. As deliberative and responsible people assembled here, are we really voicing the feelings of the people when we say: "We shall go to Simla and legislate." Let us not write ourselves down as insincere patriots saying "one thing one day and another thing other day." Delhi has been chosen as the capital. Let us push on the work in Delhi and make Delhi more habitable, but let us not be drawn away by side-issues and side-tracks.

Mr. Norton could not for a moment accept that the Government could do better work on the hills than in the plains. The Government must do their work in the plains whether it was good, bad or indifferent. No doubt the climate in Simla was more pleasant. But, as a matter of fact, they could do work here, as they could do on the hills. Mr. Sarma must not have said one thing as non-official and contradicted himself now because he was an official. That sort of attitude ought to be deprecated. The members should approach this question, realising that they were representing the people's feelings, and as for himself he would not vote, but abide by the majority verdict.

Mr. S. Sinha reminded the House of the legal position of the question. If they voted against the grant, the construction of the Chamber would be stopped. But still the Viceroy would have power to convene the session at Simla. This issue should be decided by a resolution of public importance. The House should allow the building to be completed.

Sir Sydney Crookshank said that the position was that the Government had certain amount of accommodation at Delhi and



certain amount at Simla, but neither was sufficient to accommodate the Government of India for the whole year. Five or six years hence, permanent buildings would spring up in Delhi, and then the Assembly could decide the question. He informed the Assembly that the Metcalfe House, where the Council of State Chamber was located, had been found to be inadequate to meet the demands of the Upper Chamber, and it would be reconstructed this summer. He requested the House, therefore, to at least hold their session in Simla for one year. As for the Chamber at Simla, it was built in such a way that it could be turned into residential quarters for the Government officials, for whom houses were now being taken on rent. So there would be no waste of money, even if, at a later date, the Assembly decided in favour of Delhi.

Mr. E. Norton asked whether the vote of the Assembly would mean vote on the Simla exodus or vote on a particular grant.

Sir William Vincent replied it would be considered as a vote on Simla exodus.

The President informed that certain previous discussions had been deferred to discuss this general question.

Mr. Vishindas said that it would be unfair to the Assembly to throw away four lakhs of rupees.

The President suggested to Mr. Seshagiri Iyer to reduce his motion for reduction from over 5 lakhs to a hundred rupees, so as to allow discussion on the general policy. Mr. Seshagiri Iyer agreed.

Mr. Vishindas favoured the Simla sessions as most advantageous to the country and to the tax-payer.

Mr. Mazumdar said he would have better liked an open discussion on the exodus than this indirect and subtle method of dealing with it.

At this stage Mr. Sinha applied for closure, which was agreed to.

Mr. Seshagiri Iyer's motion, as formally amended, was then put to vote and declared lost.

#### Mint & Exchange

Mr. Hailey introduced the head under "Mint" and demanded a grant of Rs. 21,45,000, and a grant of Rs. 3,28,54,000 under the head "Exchange", which were accepted. On the motion of Mr. Hailey, a grant of Rs. 2,57,000 under "Superannuation Allowances and Pensions" was agreed to.

#### Stationery and Printing

Sir Thomas Holland introduced the head under "Stationery and Printing" and demanded a grant of Rs. 1,49,12,200.

Sir Frank Carter urged for a reduction of this figure by Rs. 10,00,000. He referred to the waste of stationery in Government Offices, and desired that the Finance Committee should scrutinise



the various details of this expenditure. The Inspector of Office Procedure should help the Government in this direction. In conclusion, he suggested certain methods of effecting economy in stationery as was being done in Europe and America, and that the Government should buy their stationery as far as possible in India.

Sir Thomas Holland explained that nine-tenths of the paper, which was the most important of all stationaries, were being bought in this country. He welcomed this motion in so far as it would bring home to the officials the necessity of effecting economy in the use of stationery, but the difficulty was that the manufacturers in India demanded more than those abroad. In order to make Indian manufacturers realise the necessity of facing the competition of the world, the Government intended to bring certain special qualities of paper from abroad. The Government also proposed to employ at the headquarters of the Government of India (Delhi and Simla) stationery depots.

After several speakers had strongly supported the mover, Sir Frank Carter withdrew his motion in view of Sir Thomas Holland's assurance to effect economy. Leave to withdraw the motion was not given by many members, and the motion for reduction by ten lakhs was eventually carried by a majority.

#### Miscellaneous

Mr. Hailey demanded a grant of Rs. 50,23,000 under the head "Miscellaneous."

Mr. Lathe moved that the reserve of Rs. 10 lakhs at the disposal of the Finance Department be reduced. He said that from the experience of past years, it was sufficiently known that these reserves were never used, or at least to the extent provided for. This huge amount for unforeseen expenditure was not justified as the budget had been prepared with the utmost caution. However, if need arose for any charges, the Finance Member could come for a supplementary grant.

Mr. Hailey said that it was not good policy to come to the House for supplementary grants on all occasions. He believed that the reserve was not at all large.

Mr. Lathe agreed to reduce his figure to five lakhs, and his amended motion was carried.

Mr. Hailey demanded a grant of Rs. 62,84,000 under the head "Adjustments." This was agreed to.

#### N. W. F. Provinces

Dr. Sapru wanted a grant of Rs. 1,43,54,000 to meet charges in respect of the administration of the North-West Frontier Province.



Mr. Iswar Saran, while moving that the provision of Rs. 3,20,000 for general administration be reduced by Rs. 20,000, said that his object was to draw the attention of the House to the unsatisfactory condition of the administration in the North-West Frontier Provinces. Dr. Nand Lal had already referred to this kind of administration by his resolution for a Committee on the Frontier raids. The facts stated by Dr. Nand Lal had not been challenged by Dr. Sapru at that time.

Dr. Sapru rose to a point of order. He said that the hon. friend is not quite correct when he says that the facts were not challenged.

Mr. Iswar Saran replied that he might be wrong, but it was his opinion. He referred to the article that had appeared in the *Tribune* of Lahore, on the general administration of the North-West Frontier Provinces. Here, in the Government of India, the Indians were excluded from foreign and political department, and in the North-West Frontier Provinces there was practical exclusion of Indians from every branch of administration. There was no Indian either as Judge, Commissioner, Collector, Magistrate, Deputy Superintendent of Police or even as Assistant Superintendent of Police. This sort of administration had caused a great deal of dissatisfaction. Mr. Montagu had, in his Declaration of August, 1917, referred to the "increasing association of Indians in every branch of administration", but this declaration had not in the least been carried into effect in the N. W. F. Provinces.

Dr. Nand Lal emphasised the fact that the separation of the Frontier Provinces had been a failure, and urged re-annexation on both political and economical grounds.

Sir Sivaswami Aiyar asked the Government as to what led them to separate the Frontier Provinces from the Panjab. If this special machinery was introduced to secure better administration of the Frontier, he was afraid that it had not succeeded in bringing immunity from the trans-Frontier raids.

Dr. Sapru, on behalf of Government, referred to the previous discussion on the matter and agreed to a round table conference. Ch. Sahabuddin, Mr. S. Hussain Khan and S. Gujjan Singh asked the House to accept Dr. Sapru's assurance, and the motion was put and lost.

Mr. Iswar Saran next moved that the provision of Rs. 7,35,009 for "Administration of Justice" be reduced by Rs. 30,000. He only wanted to know if there was no convict settlement in the N. W. F. Province. This was eventually withdrawn.

#### Expenditure in England.

Mr. Hailey moved for the grant of Rs. 1,07,72,000 for expenditure in England.



Mr. Lathe moved that the sum of Rs. 2,84,000 for expenses in connection with probationers for the Forest Department be omitted. He urged that the recruitment and training of Indians for the Imperial Forest Service be made in India rather than in England. After a short discussion, Mr. Lathe pointed out that the entire service should be manned by Indians, but for the present, as it was stated that forty per cent of the posts would be filled by Indians and far more next year, he withdrew the motion and would wait and see what the Government did.

Mr. P. L. Misra moved that the item of Rs. 1,20,000 intended for the alteration of the Grosvenor Gardens be omitted.

*Indian Students in England.*

Munshi Ishwar Saran moved that the provision of Rs. 50,000 for the Indian Students' Department be reduced by Rs. 1,000.

Mr. Ishwar Saran, pointed out that the feeling of Indian students in England was that this department was brought into existence to keep an eye on their politics. Two or three years ago the Indian National Congress had demanded the abolition of this Department which had not gained the good-will of Indians or Indian students in England. After Mr. Shafi had assured the House that he would see that the arrangement had been taken away from the India Office and placed under the control of the High Commissioner who would be under the control of the Government of India, and that, as Education Member, he would take every care to see that this Department was hereafter conducted on the lines desired by the non-official members, Mr. Ishwar Saran withdrew his motion.

Dr. Gour moved that the provision of Rs. 1,85,000 for the Indian Students' Department be reduced by one lakh. He quoted the report of the Secretary of the Students' Department for 1916 to show that this responsible officer felt that it was mere waste of time and waste of money to send Indian students to prosecute in England their studies in Law and Engineering. From his personal experience in England, he believed that it was a sheer waste of time to send students for a study of Law in England. He pressed that no scholarships should be given to Indian students, unless they disclosed the particular course of study they were going to prosecute.

Mr. Shafi challenged the truth of the sweeping condemnation by Dr. Gour on the students who went to England for education in Law and Mr. Norton also repudiated the idea that Indian students were not treated on a footing of equality with their own students in Oxford and Cambridge. Dr. Gour eventually withdrew his motion.



DELHI—16TH. MARCH 1921

The Assembly met on 16th March to dispose of the last batch of demands under eleven heads. Railway demands amounting to Rs. 17,78,11,000, introduced the previous day, were taken up for discussion. One motion for the reduction of grant by ten crores stood in the name of Rai Bahadur Majumdar, but owing to his absence the motion was not taken up.

On a general discussion on Railway administration Dr. Nandlal wanted to tighten the mouth of the Railway money bag. As a common servant of both Europeans and Indians of all creeds, he objected to the spirit of differential treatment on Indian railways. His first grievance was that Indians could not get a waggon at all till the palm of a station master was greased. He next pointed out the deplorable treatment in regard to passengers, the Europeans getting a better treatment than the Indians. The third grievance was that the railway servants stole something from the commodities entrusted to their care. If he sent oranges somewhere, he should be ready to meet the fact that only half would reach the place of destination. This naturally resulted in the lack of confidence, and people instead of sending their articles by parcels entrusted them to travellers. Thus, the railway income suffered. Employers should, therefore, see that theft was put an end to. Then, again, railway compartments were horribly overcrowded, and the water-carriers at platforms were absent, because they were, perhaps, cooking the food of the station masters. (Laughter.) As to new constructions, he would say that any new additions would entail the same corruption. The House should not call upon the tax-payers to pay for additional burden for their additional miseries. (Laughter.)

Sir George Barnes, replying, referred to the charge of corruption. He agreed and deplored that corruption did exist. He had been trying to put an end to this corruption, but the public did not help him in that task. Sometimes ago, he came across a mill-owner from the Central Provinces, who told him that he had paid Rs. 50 in order to procure a waggon, but when Sir George Barnes asked him to come and give particulars in order to bring a case against the station official, he fled away and absolutely declined to give any information. He related an almost similar case in which the aggrieved party did not want to give evidence even when persuaded, and observed that it was the absence of help from the public that enabled corruption to go on. He earnestly hoped that Indians would hereafter help the Government in putting down corruption. (A voice, certainly.) Referring to the charge of inequality of treatment between Indian and European passengers, Sir George Barnes observed



that it was mainly done by Indian Station-masters and not by European Station-masters who were very few in number. Again, if the Indian passengers brought any particular grievance to the notice of the authorities, it would be duly dealt with. As for the complaint about accommodation for third class passengers, he agreed that there was room for complaint, but these passengers ought to arrange to sit themselves in all compartments rather than all of them in one or two, because they happened to be all friends and relations.

Mr. Pickford wanted the existing lines to be put in order before new construction could be attempted, because they had been grossly neglected. Referring to Sir George Barnes' appeal for co-operation to put down corruption, Mr. Pickford related a case in which an Assistant Storekeeper made a written demand for two and a half per cent on the amount of a Bill he had just passed for payment. Mr. Pickford took this case up and was for many months subjected to such persecution at the hands of railway and Court officials that nothing on earth could persuade him to assist railway administration in bringing down bribery and corruption. He believed that the Indian public had been ever patient in the past.

Bakshi Sohanlal pointed out that the construction of certain railway lines which were absolutely necessary and which had been surveyed and sanctioned, had not yet been proceeded with.

Colonel Waghorn, President, Railway Board, referred to the two distinct sides of railway expenditure, one being charged to revenue for maintenance and working of railway lines, and the other being expenditure charged to capital necessary to bring the existing lines up to date and to undertake and finish new constructions. Now, this year, due to financial difficulties, the Finance Member had granted them only 17 crores, of which about 16 would be spent for improvement in the existing lines, and over one crore for completing the lines, like the Khyber Line and others already under construction. No new constructions, strictly speaking, were intended for the next year. Referring to the complaints of Dr. Nandlal, the speaker admitted the urgent necessity for increasing third class compartments. The Board was thinking of meeting the public need in this direction. He asked Mr. Pickford to supply him (speaker) with details of the case of bribery that he referred to in his speech. Concluding, Col. Waghorn said that while fully recognising the need for extension and expansion he felt that as long as the finances at their disposal were inadequate they could not work wonders.

Lala Girdharilal, Mr. Zahiruddin Ahmed and Mr. Ginwala also spoke drawing attention to the shortcomings of railways.

Dr. Nandlal's motion for reduction was put and lost.



The total demand under railways was, thereupon, carried.

#### Irrigation

On the motion of Sir Sydney Crookshank the demand for Rs. 3,14,000 under irrigation (not charged to revenues) was granted without discussion.

#### Delhi Capital Outlay

Sir Sydney Crookshank wanted a grant of Rs. 1,03,95,000 under the head "Delhi Capital Outlay."

Mr. P. L. Misra, who moved for a reduction by Rs. 10 lakhs, asked several questions about the details provided in the budget, especially those relating to engineers, architects, etc., and said that the duties ought not to have been divided into so many hands. This was a top-heavy administration, and, according to the present rate of progress, it would take eight years for the work to be completed, which meant that there was a lot of heavy expenditure of the poor tax-payer's money.

After a lengthy debate the motion was put and lost.

The total demand was accepted.

Mr. Hailey moved for the grant of one crore under a new demand to defray the charge for capital on the Indian Telegraph Department not charged to the revenue. This was carried.

#### Miscellaneous

Mr. Hailey introduced five more items under the head relating to disbursements, deposits, etc., which were all accepted without discussion. Mr. Hailey next demanded a grant of Rs. 2,25,00,85,000 under the head "Remittance". This demand was granted as also the last demand for 11,73,50,700 in the budget under the head "Home Transactions".

The whole discussion then terminated.

#### Result of Voting

The net result of the votings on demands for grants for the last six days was a total reduction by Rs. 29 lakhs under various heads and transfer of one crore under "Posts and Telegraphs" from the Revenue to capital account, thus reducing the deficit for the next year by one crore.

On March 17th the Legislative Assembly met with a heavy agenda of business.

#### Motion for a Joint Committee

Mr. Hailey moved that this Assembly do recommend to the Council that the Bills to further amend the Indian Tariff Act, 1894, the Indian Post Office Act, 1898, the Indian Income Tax Act, 1918, and the Super Tax Act, 1920, and to amend the Freight



(railway and inland steam vessel) Tax Act, 1917, be referred to a Joint Committee of the Assembly and of the Council of State and that the Joint Committee do consist of 20 members.

Owing to a point of constitutional Law raised by Dr. Gour supported by Messrs Iyer and Norton, Mr. Hailey withdrew his motion so that the House may straightway consider the Bill next day.

#### **The Factories Act**

Sir Thomas Holland moved that this Assembly do recommend to the Council of State that the Bill further to amend the Indian Factories Act, 1911, be referred to a Joint Committee of the Assembly and of the Council of State, the Committee to consist of 12 members. He said that there would be no objection to this question of factory as there was to the Finance Bill on a constitutional basis. After a short discussion Sir Thomas assured the House that Government would see that all interests including capital and labour were represented, and the motion was carried.

*Bills passed and considered.*

The Calcutta University Bill and the Bill to further amend the Code of Civil procedure as passed by the Council of State were passed. The Indian Electricity Bill was introduced, while the Maintenance order Bill, the Indian Penal Code Amendment Bill and the Civil Procedure Code Amendment Bill to provide against institution of fraudulent suits were referred to select committees.

### **The Council of State**

*DELHI—17TH MARCH 1921*

#### **Indianisation of Educational Service**

Replying to Raja Sir Harnam Singh, the Home Member said that the extensive employment of Indian troops overseas was due to the world-wide war, and this action of the Government of India was generally approved by the press and later on by the Imperial Legislative Council. The Government of India were, however, unable to place on the table the correspondence between the Secretary of State and themselves relating to the employment or non-employment of Indian troops overseas.

Replying to Mr. Kharparde's question regarding the Indianisation of Indian Educational Service, the Home Member said that the Royal Commission on the public services in India recommended that three quarters of the posts contained in class 1 of the Indian Educational Service, in accordance with the reorganisation they proposed, should be filled by officers recruited in Europe, provided suitable candidates could be obtained, and that one quarter of the posts should be filled through recruitment in India. As new posts were created, recruitment in Europe and India should be so adjusted that additional officers would be taken half from the one country and half from the other. The Government of India, in addressing the Secretary of State, recommended that the proportion of Indians,



who could suitably be included in the Indian Educational Service, was 50 per cent, and that this should be regarded as the average proportion throughout India as a whole, variations being permitted in different provinces and Burma being for the present excluded from the calculation. This recommendation of the Government of India constituted a marked advance on the proposals of the Public Services Commission. It was sanctioned by the Secretary of State in November, 1919, with a view to showing the manner in which this recommendation has already been carried out. It will be convenient to consider the proportion of Indians in the Indian Educational Service at the time when the Commission concluded its sittings and the proportion which exists to-day. On the 1st July, 1915, the number of Europeans in this service was 201 and that of Indians five. The percentage of Indians to the total number was 2·42. On the 1st March, 1921, the number of Europeans and Anglo-Indians in the service was 205 and of Indians 111. The proportion of Indians to the total number was thus 35·12. Of the 111 Indians in the service, 31 have been appointed direct, 75 have been promoted from the Provincial Educational Service and five have been promoted from outside posts. The figures which I have given exclude Directors of Public Instruction, members of the Women's Indian Educational Service and members of the Chiefs' Colleges' Cadre.

### The Bills Considered and Passed

The Bill validating certain indentures, transferring properties formerly held by enemy mission in trustees, the Land Acquisition Amendment Bill and the Deputy President (Legislative Assembly) Salary Bill were passed.

### The Exchange Question

Mr. Kale then moved a resolution recommending the urgent necessity of an enquiry by a special representative Committee into the exchange situation, with a view to suggest suitable remedies to relieve the existing tension connected therewith, and to consider if it is not desirable to propose an alteration in the exchange value of the rupee fixed by law and a modification of the currency system so as to place it on the gold standard basis.

Sir Alexander Murray, Sir M. Dadabhoi, Sir Dinshaw Wacha and a few others opposed the motion, as no committee, not even the Brussels Finance committee, could stabilise exchange. Messrs. Khaparde, Lala Sukhbir Singh and Maung Po Bye supported the motion. Mr. Khaparde said that had Mr. Dalal's recommendations been acted upon, the exchange crisis would not have come. The resolution however was lost.

## The Legislative Assembly

DELHI—18TH. MARCH 1921

### The Finance Bill

On March 18th the Finance Bill was the only item on the agenda paper. The Secretary placed on the table Bills passed by



the Upper Chamber yesterday. The President ruled that the amendments regarding the preamble of the Bill be postponed till the body of the Bill was amended and shaped.

Mr. Samarth moved that the Finance Bill shall remain in force only till the 31st March, 1922. He emphasised the fact that at the end of the year following the practice in the House of Commons, the Assembly should have power to review the whole Finance Bill with reference to the then existing conditions.

Mr. Hailey readily agreed to allow the House to review at the end of the year the Post Office Act and the Income-Tax Act, but pointed out that the question of tariff was much more complicated. If it was voted that tariffs would come under the review of the Assembly at the end of the year, it would bring great uncertainty in the course of trade, and the result would be detrimental to the commerce of this country.

After a short discussion, Mr. Samarth withdrew his amendment, and the Government's amendment was carried.

#### **Inland Postal Rates**

Rai Sahab Lakshmi Narayan Lal moved for the omission of clause 3 of the Bill relating to inland postage rates on letters, postcards, packets, registered newspapers and parcels.

Mr. Jatkar moved his amendment touching letters, postcards and registered newspapers. The President ruled that he would put this amendment in three parts separately. Mr. Jatkar moved his whole motion, and the discussion first began on the portion regarding postcards. After discussion, Mr. Jatkar's motion to the effect that in the case of letters for weight not exceeding half a tola, half anna be charged, that for weight exceeding half and not exceeding one tola, one anna be charged, and for every tola or fraction thereof exceeding one tola, one anna be charged, was put and declared lost.

There was a short discussion on the third part of Mr. Jatkar's motion relating to postage on registered newspapers, and it resulted in the following amendment, which was accepted. For a weight not exceeding five tolas, quarter anna be charged, for a weight exceeding five tolas, half anna, and for every fifteen tolas or a fraction thereof exceeding fifteen tolas, half anna.

#### **Tariff Act**

Mr. Manmohandas Ramjee moved that the proposed Tariff Act should be in force with effect from the first day of April this year. This would, he said, greatly satisfy the importers in India, because no collection should be made one month before the Bill was passed. Mr. Hailey had already stated that Government had collected



seventy lakhs under the proposed tariff. This was objectionable. The speaker had received a number of telegrams protesting against this kind of collection. The Government should collect tariff only after the Bill was passed and not before that.

Mr. Hailey and Mr. Price opposed Mr. Ramjee's motion, while Messrs. Shahabuddin and Rangachari supported it; the latter pointed out that even though there was a risk of sacrifice of some lakhs, the motion had the merit of justice and equity.

Mr. Ramjee's motion was put and lost.

Mr. Venkatapathi Raju's motion that the Tariff Bill should take effect from 1st March this year was accepted by Mr. Hailey who said that the Government felt secure with this amendment.

Sir Frank Carter moved that, with effect from 1st April next, in the third schedule to the Tariff Act, 1894, the item No. 5 relating to Tea be omitted. The motion was lost.

Mr. Pickford moved that, with effect from the 1st April of this year, in the third schedule of the Indian Tariff Act, the third entry relating to raw hides and skins should be omitted. This too was lost.

Next day, March 19th, the discussion on the Finance Bill was taken up. Numerous amendments were proposed by the non-official members most of which were subsequently withdrawn and lost, and some only were either accepted by Govt. or passed by a majority of votes of the House. The Finance Bill was eventually put and passed.

On March 21st the Assembly met with an agenda containing a large number of questions, two non-official bills, two resolutions and a very important official Bill on Emigration.

Dr. Sapru laid on the table the Select Committee's Report on the Esher Report.

#### Select Committee on the Esher Report

"A Committee of the Assembly has, for the past week, been engaged in considering the Report of the Esher Committee. The Report of the Committee takes the form of a series of draft resolutions, which, they suggest, should be moved in the Assembly. The Committee advises the Assembly to recommend to the Governor-General-in-Council to repudiate the assumption underlying the whole report of the Esher Committee, that the administration of the Army in India cannot be considered otherwise than as part of the total armed forces of the Empire, and that the military resources of India should be developed in a manner suited to the Imperial necessities. They hold, that the purpose of the Army in India must be held to be the defence of India against external aggression and the maintenance of internal peace and tranquility. They advocate organisation, etc., on up-to-date lines, and in accordance with modern standards, with due regard to Indian conditions, and demand efficiency, in order that, when the Indian army has to co-operate with the British Army, there should be no such dissimilarities as to make co-operation difficult. They



hold that for any other purposes, other than protection from external aggression and the maintenance of internal peace, the obligations resting on India should be no more onerous than those resting on the Dominions, and should be undertaken, subject to the same conditions.

The Committee desires the Assembly to recommend that the Army in India should not, as a rule, be employed for service outside the external frontiers of India, except for purely defensive purposes, or, with the previous consent of the Governor-General-in-Council, in very grave emergencies, provided that Indian troops may be employed on garrison duties overseas at the expense of His Majesty's Government, and with the consent of the Government of India. The Committee thinks that the absence of full Responsible Government in India, the difference in conditions between India and England, in regard to the ultimate control of, and responsibility for the defence of the country. They hold that, in view of the desirability of assimilating the system of administration in India to that of the United Kingdom, which has been arrived after prolonged experiments, and the desirability of emphasising the principle of the ultimate superiority of the civil power, it is essential that the Commander-in-Chief should, without prejudice to his official precedence, cease to be a Member of the Governor-General's Executive Council, and that the portfolio of defence, including supply, should be entrusted to a Civilian Member of the Executive Council, assisted by an Army Council, including the Commander-in-Chief and other high military experts and a certain number of civilians, more or less on the model of the Army Council in England. If this recommendation is not accepted, they favour the minority proposal of the Esher Committee for the appointment of a Surveyor-General of Supply, who, they think, should be a civil member of the Commander-in-Chief's Military Council. This, they think, would be more logical and economical than to follow the proposals of the majority of the Esher Committee to set up a separate department for production and provision under a separate Member of the Executive Council, thereby adding to the Government an additional civil member in connection with the army administration.

A minority of the Committee favours the retention of full responsibility by the Commander-in-Chief. They make a variety of recommendations as to the procedure to be followed in the selection and appointment of the Commander-in-Chief and other high military officials. They consider that the Military Secretary, India Office, should be appointed by the Secretary of State for India on the recommendation of the Government of India, after advice obtained from the Chief of the Imperial General Staff. They think that he should be ex-officio, have the status of a Deputy Chief of the Imperial General Staff, that he should have the right to attend meetings of the Army Council when questions affecting India are under consideration, but that he should not be under the orders of the Chief of the Imperial General Staff. The Committee considers that the Commander-in-Chief's right of correspondence with the Chief of the Imperial General Staff should be subject to the restriction that it does not commit the Government of India to any pecuniary responsibility or to any line of military policy which has not already been the subject of decision by them. Copies of all such correspondence at both ends should be immediately furnished to the Government of India and the Secretary of State.

#### **Indianisation of Commissioned Ranks**

A large part of the Report of the Assembly Committee is devoted to proposals for the Indianisation of the commissioned ranks of the Army. They desire that the King-Emperor's Indian subjects should be freely admitted to all arms and services of His Majesty's military, naval and air forces in India, subject to the prescribed standards of fitness, and they desire that, in selecting



candidates for the entrance examination, unofficial Indians should be associated with the nominating authority. They think that to start with not less than 25 per cent of the King's Commissions should be given to Indians. They ask that adequate facilities should be provided in India for the preliminary training of Indians to fit them to enter Sandhurst, and that the desirability of establishing a similar College in India should be kept in view. They think that the formation of an adequate Territorial Force on attractive conditions is essential as a preparation of India to undertake the burden of self-defence. They recommend a gradual and prudent reduction of ratio of British to Indian troops. The Committee ask that there should be no distinction between the status of officers of the Indian Territorial Force and those of the Indian Auxilliary Force. They recommend that no proposal for the interchange of officers between the British and Indian services should be carried out, unless it can be done without appreciably increasing the cost to Indian revenues, without interfering with a steady expansion in the proportion of the King's Commissions in the Indian Army thrown open to Indians, and without affecting the control of the Government of India over the entire army in India. The Committee asks that having regard to the recent creation of two additional commands in India, the expediency reducing the size of the administrative staff at Army headquarters should be considered. They recommend that, so far as their proposals are concerned, the Anglo-Indian should be considered to be conversed by the term Indian or India's subject.

#### A Proposed Committee

Their concluding recommendation is one of even greater importance than those by which it is preceded. They ask the Assembly to recommend to the Governor-General-in-Council that as soon as the external and internal conditions of India permit, a Committee should be appointed adequately representative of non-official Indian opinion for the purpose of examining and reporting upon the best method of giving effect to the natural rights and aspiration of the people of India to take an honourable part in the defence of their country and prepare the country for the attainment of full Responsible Government which has been declared to be the goal of the British policy in India. They asked that the proposed Committee shall also examine the financial capacity of India to bear the burden of military expenditure, her claim to equality of status and treatment with the Self-Governing Dominions. They recommend that the Committee should also report upon the methods of recruitment to the commissioned ranks of the Indian Army.

#### Transfers and Bequests

On the motion of Mr. Seshagiri Iyer, the Bill to declare the rights of Hindus to make transfers and bequests in favour of unborn persons in the Madras City was passed without discussion.

#### Transfer of Property Act

Mr. Rangachari next moved for leave to introduce a Bill further to amend the Transfer of Property Act, 1882. This was carried.

#### Emigration Bill

Mr. Innes then moved a Bill to amend the law relating to emigration,



"Sir George Barnes speaking on this Bill said in the course of a long speech :

"Indentured emigration was killed in 1917, but the weapon by which it received its death blows was not a Statute, but a rule made under the Defence of India Act. The rule is still in force, because the War has not yet officially come to an end, but the Defence of India Act cannot look for much longer life, and the rules, which were made under the Act, will, of course, expire when the Act still comes to an end. If the rule, of which I have spoken, did not stand in the way, indentured emigration would still be lawful under the Emigration Act. When the Defence of India Act expires, there must be some new enactment to take the place of the existing rule. In the Bill which Mr. Innes seeks to introduce we have tried to frame safeguards for the health and protection of would-be emigrants in this country, and for their help and protection in the land of their adoption. I do not propose to go through the Bill clause by clause, for that is done in the statement of objects and reasons attached to the Bill. I refer only to the clauses which seems to me to be vital.

#### Protection of Unskilled Worker

"The class of workers which most needs help and protection is obviously that of the unskilled worker, and with regard to him the most important protection the Bill affords is to place in the hands of the Indian Legislature the power to decide in each case whether the emigration of unskilled workers should be permitted or prohibited. Emigration of all unskilled labour will be forbidden, unless and until both Chambers of the Legislature agree that the door should be opened. This will give the two Houses of the Legislature opportunities to scrutinise each scheme and opportunities, also to lay down such conditions as they may in each case think necessary in the interests of the emigrants, for example, be within the powers of the two Houses of the Legislature to refuse approval to any scheme of emigration of unskilled workers to any country where Indians do not enjoy the same political rights as other classes of His Majesty's subjects.

"Under Clause 7 power is taken to appoint Agents of the Government of India overseas. Of course, this power can only be exercised with the permission of each Government concerned. The duty of the agent would be, first to keep the Government of India informed of all matters which affected the welfare of the status of the Indians. He would further, of course, be at the service of any member of the Indian community who might wish to seek his advice. The skilled worker much more capable of looking after his own interests



and, consequently, requires less help and protection from the Government. At the same time we feel that the emigration of the skilled worker should be under some measure of control. Clause 14 of the Bill, provides: That, whoever desires to engage or to assist any person to emigrate for the purpose of skilled work, shall apply for the permission of the local Government having jurisdiction at the port of departure, and shall state in his application certain information, including particulars of the accommodation to be provided before leaving India and during the voyage, the provision to be made for the health and well-being of the skilled worker during the period of the proposed engagement and for the return journey at the end of the engagement. Further, the terms of the agreement must be set out and security given for the due observance of the agreement, and generally for the proper treatment of the worker. Clause 17 provides: That the local Government may, after such enquiry as it may deem necessary, grant the permission applied for on such terms and conditions as it thinks fit, or withhold its permission.

#### Free Emigration.

"The Bill does not provide for any control over free emigration, that is to say, cases where the emigrant wishes to leave India without any assistance from anybody. It would, we think, be very wrong to endeavour to hamper or control free emigration.

#### India and the Dominions.

"The relations between India and the Dominions have never been satisfactory. But, now India has been admitted as an equal member of the Imperial Conference and her representatives take their seats in the great Councils of the Empire. At the Imperial War Conference of 1917, Mr. Chamberlain moved a resolution in favor of reciprocity of treatment between India and the Self-Governing Dominions, and in the course of his opening speech, said: 'We are anxious that the entry of India into these Conferences should pave the way to a better understanding between India and the other Dominions, and we hope that, in time with that better understanding and with patience and forbearance on both sides, we may arrive at a solution of some of the difficulties which we have hitherto been unable to solve.

"The principle of reciprocity was supported by Lord Sinha and by all the representatives of the Self-Governing Dominions, and at the Imperial War Conference held in 1918, the question of reciprocal treatment was again brought up by Lord Sinha, when a valuable Memorandum, which has since been published, relating to the disabilities of Indians overseas was laid by him before the Conference.



On Lord Sinha's motion, a resolution was passed which makes it perfectly clear that the right of India is recognised to enact laws having the effect of subjecting British citizens domiciled in any other British country to the same conditions in visiting and residing in India, as those imposed on Indians desiring to visit and reside in such countries.

"After the passing of this resolution, the Government of India, of course, considered anxiously and carefully whether legislation in this country on reciprocal lines would be a wise step, in other words, whether legislation would result in any material benefit to India or the Indians overseas. We came to the conclusion that legislation would not help us towards our goal. Any legislation undertaken would, of course, in some way or other, restrict the coming to this country of Australians, Canadians, South Africans and New Zealanders with the intention of residing and settling here. So far as I know, we have hitherto had no emigrants from the Dominions with the object of settling in India. Nor are any emigrants likely to present themselves, for climatically the country is not suited for settlement by persons whose home is in the higher latitudes. Restrictive legislation would consequently be, in a great measure, futile. Though futile, any such legislation would, nevertheless, have a flavor of retaliation about it. History tells us that retaliation is seldom a successful weapon even when it injures the person against whom the retaliation is directed, and I think that it follows that a measure, which has the disadvantage of retaliation, but, at the same time, is incapable of inflicting an injury, is a weapon which the wise man will refrain from using. What we want are better relations with the Dominions. We want a full recognition of equality and citizenship, and submit that pin-pricks will not help us to that end. We should prefer to build on firmer foundations, the foundations of mutual good-will and respect.

"Each year, of late, we have made some progress, but I am bound to acknowledge that the progress has been slow. The progress, however, is real and will constitute, especially if India continues to send her best men to the great Councils of the Empire, men like Lord Sinha and Mr. Sastri who are capable of holding their own with the first statesman of the Empire. (Applause.) The sending of Sir Benjamin Robertson and Mr. Corbett by the Government of India to South Africa in order that they might represent the case of the Indians settled there before the South African Commission had, I am sure, been fruitful of good results by the removal of misconceptions and the creation of a better understanding in a part of the world, where the difficulties of Indians have been most acute".

The Bill was then introduced.



DELHI—23RD MARCH 1921

## N. C. O. &amp; Repressive Policy

On March 23rd Mr. Hullab moved that the Land Acquisition Amendment Bill as passed by the Council of State be taken into consideration. Several amendments were proposed and strong objection was taken to the restriction of Appeal to the privy Council imposed by the Bill. Mr. Seshagiri Iyer moved that further consideration of the Bill be postponed till the next session was carried.

The motion by Mr. Rangachariar on the amendment of the Income-Tax Act was defeated. Mr. Kabraji's motion to expedite the new Delhi works so that 2 crores instead of 1 crore a year be spent was carried on Govt. welcoming the resolution.

A very interesting question arose on Mr. Jatkar withdrawing a motion standing in his name on non-co-operation.

Sir Willam Vincent said that when the Government of India received notice of this resolution, the notice was not in time, and Mr. Jatkar was at his own request given the official day, because he (speaker) was willing to take that opportunity of stating the Government's case. Now Mr. Jatkar in taking the present course had treated them with scant consideration, for the Government had been put to considerable inconvenience in preparing their case.

Dr. Nandlal : Sir, May I be permitted to move this resolution.

Mr. Jamnadas Dwarakadas : Sir, I want your ruling on the point as to whether a Member can be allowed to withdraw his resolution, if he has given notice of it, and after it had been put on the agenda. There were many members who were anxious to get the Government declare their policy on this important question of Non-Co-operation, but we refrained from giving notice of our resolution after seeing this resolution on the agenda. Now that Mr. Jatkar has withdrawn his resolution, we cannot move any resolution as there is no time left. Is it fair that such a thing should be allowed ?

Sir William Vincent : I can devise some method of bringing in time on the agenda any other resolution if Mr. Jamnadas would give notice of it.

The President : The Hon. Member (Mr. Jatkar) had been permitted by the chair and the Government to move his resolution on the official day. Now he does not wish to move it. Neither the House nor the chair possess any power except that of peaceful persuasion to compel him to move it. He is perfectly within his right in withdrawing it. But what I have got to say is that the Hon. Member has shown the greatest discourtesy, firstly, to the Assembly, secondly, to the chair, and thirdly, to the Government,



in that he did not give the Government an opportunity of explaining their position.

Mr. Jatkar : I withdraw my resolution.

The President : The chair must now use its discretion and permit any other member to move the resolution.

Col. Gidney : I wish to move it.

President : No, Dr. Nand Lal had got the opportunity.

Dr. Nand Lal then moved Mr. Jatkar's resolution that the Government should adhere to the declaration of its policy made in October and November last and ask the Local Governments to stop all repressive measures now being used all over India. He asked the Government to declare their policy once more.

Mr. Jatkar, in supporting the resolution, said that he did not wish to move the resolution, because he was not ready for its being discussed to-day. He wanted Sir William Vincent to get his resolution tabled on the next official day, 26th. So he was surprised to see it on to-day's agenda.

Sir William Vincent : May I say that Mr. Jatkar himself wanted this resolution to be put on the official day to-day.

Mr. Jatkar begged the pardon of the House, and said that he did not wish that the resolution should be moved by himself, although he was in entire sympathy with it. He quoted certain passages from the Government declaration of November last, and said that the position to-day, however, was that repression had been applied to nearly one hundred and twenty-five persons in his own province (Central Provinces). Prosecutions had been started, one of the victims being the Vice-Chairman of the Nagpur Municipality. Securities had been demanded from volunteers for preaching temperance. Famine, scarcity and fear of additional taxation had disturbed the whole country, and any repressive measure would only add to the complexities of the situation. The principle of Non-Co-operation had come to stay, but the Government should not do anything which would drive it under-ground. They should, on the other hand, by a policy of conciliation, create confidence in representative institutions by allowing them greater control over the affairs of the country.

#### Govt. Statement on N-C-O

Sir William Vincent, speaking on the resolution, said that the Hon. Member who had just spoken had felt surprised that his resolution was on the agenda to-day. That, however, had not prevented him from making a long manuscript speech. He had repeated that he did not expect to see this resolution on an official day, but his own letter pressed that resolution must be put on the official day. Now, however, the moment was particularly opportune for him to make a declaration of the Government's policy. The great motive behind the Government was the progress of this country towards Responsible Government and the simultaneous



preservation of public tranquility. He knew of no country in which the charges contemplated and inaugurated in the Government had ever been effected peaceably. The Government of this country was difficult because of great distances. To this had been temporarily added difficulties which had been exploited by the Non-Co-operation party to the utmost limit. There was no doubt that their efforts are intended to paralyse the Government, because that was their declared object. There was no measure to which they had not resorted. Whenever there were differences between employers, and employees, between landlords and tenants, emissaries of Non-Co-operation fostered discontent and created unrest and disorder. A movement of this kind could not but be extremely dangerous and full of evil potentialities. It was purely destructive, and so far as he had been able to ascertain, it had no element of construction. The object of Non-Co-operation was Self-Government, but Self-Government connoted Self-protection which India had not. The British Government had undertaken a great trust on behalf of India, and the withdrawal of that protection from India at this juncture would lead to anarchy and the destruction of sixty years of work in this country. The Government always hoped that the sanity of the people would counteract this mischievous propaganda of Non-co-operation. The Government took this opportunity of acknowledging many efforts that had been taken by the saner section of this country in this behalf, and they believed that Mrs. Besant and Mr. Sastri had earned the thanks of all good people. The Home Member explained what he thought of Mr. Gandhi's present position. He said that Mr. Gandhi had failed with the educated classes. Boycott of Councils had proved a failure and renunciation of titles had been very little and very few lawyers had given up their practice. It was true that there was a temporary success in connection with students, but this evanescent madness had passed away, and most of the young men were now returning to colleges. There was much economic unrest and political unrest, partly local and partly caused by the world-wide War, and upon this it was very easy to rouse ill-feeling and passion. Any interference with those who exploited these causes would not be consistent with the spirit of reform. Increased racial feeling among the people in social and political progress would be inconsistent with the spirit of reform. It would have been possible to suppress the tactics of Non-Co-operation much earlier, but the Government felt it their duty to exercise some patience.

"We are doing our best" he said, "to meet the situation. It was in response to demand on that account that the Government appointed a Committee on repressive laws which will sit in due course, and the same course was adopted in regard to press legislation. Throughout this session, the Government of India (Home Department) was actuated by a desire to meet the wishes of the Legislative Assembly as far as possible. That is the spirit in which I have attempted to approach this subject, and, I am glad to say, I have received the greatest consideration from the Assembly, a consideration which I cannot express too greatly to the members. The Government is in a position of great anxiety. Nobody can exaggerate the dangers of it. It would be equally futile to minimise it. I do know that we have to suppress disorder wherever it occurs and to punish those who incite disorders. In that, I seek the support of this Council (Applause). In Rae Bareilly, at the instance of political agitators, the mob had cried that the British Raj was coming to an end, and Mr. Gandhi will be the King. The Government must proceed at least under the ordinary law of the land against those who are guilty of such conduct (Applause). We have prosecuted wherever we could, but prosecutions are getting very difficult, because witnesses are being intimidated, and still we have always advocated prosecution under the ordinary law. But our policy has been challenged by one Hon. Member who was rather unduly harsh. Our



instructions to the Local Governments dated 28th January of this year are mainly as follows ;—(1) To keep the closest possible watch on the attempts made by the Non-Co-operators to spread disaffection among the laboring classes : [2] to initiate early legislation, wherever necessary, as in matter of tenancy : [3] to conduct propaganda by giving the widest publicity to the intentions of the Government ; and [4] to rigorously prosecute under the ordinary law of the land all persons making seditious speeches and inciting people to violence. It is quite true that Mr. Gandhi himself is an idealist and a visionary. He does advocate or profess to advocate non-violence. But are his coadjutors actuated by the same motive ? Now, take the cases of the two prominent Muhammadans. Has it not even been said that the invasion of this country had been foretold within a short time from outside in which Mahammadans inside this country are to aid ? There has been social boycott and seduction of soldiers. In such circumstances, is it not right that the Government should take such action that will be necessary to the preservation of public tranquillity ? Are we to stand aloof and allow these incitements to go on merely because we are accused of repressive measures ?” Sir William referred to the recent happenings in the Punjab, Madras, Bihar and the United Provinces, and pointed out that in all these cases Local Councils had approved of the action taken by the respective officers. He said that the Government's policy was this—to meet the legitimate demands of the people, strengthen Moderate opinion, make the Reforms a reality, remove agrarian and other grievances, go out of our way even at the sacrifice of efficiency in order to satisfy legitimate demands. But, at the same time, where we have disorders and excitement either direct or indirect we should punish them. Now, I want this Assembly to support me in the announcement of this policy of the Government.

After this there was a long debate on this point, some members urging Government to withdraw their repressive policy while others whole-heartedly supported it. Mr. Rangachariar made a firm stand against the Govt. and moved an amendment that Local Governments be not given a *carte blanche* in repression. This, however, was withdrawn and finally an amendment moved by Mr. O'Donnell, the Home Secretary, that “the Govt. should adhere to its policy as announced to the Assembly this day, and as far as possible avoid resorting to any proceedings under exceptional legislation in dealing with the N.C.O. movement” was put and carried amidst some cries of “No”.

## The Council of State

DELHI—23RD. MARCH 1921

On March 23rd the Council of State also met to discuss the Finance Bill. The Secretary placed on the table the Bill as passed by the Assembly. Some minor amendments were carried, one most debated being the postal rate on letters, Mr. Sethna's motion, that a one-anna letter be charged 9 pies, and for a letter between one and two and half tolas the charge be one anna, was accepted by the Finance Secretary on behalf of the Govt. Another motion of Mr. Khaparde altering rates on registered newspapers was also passed. The Finance Bill as amended was then finally passed.



Next day, March 24th., on the Council reassembling, Mr. Raza Ali moved a resolution recommending to the Governor-General in Council to convey to His Majesty's Government, through the Secretary of State for India, the considered opinion of the Council that any attempt made in certain quarters in England to place obstacles in the working of the Government of India Act, 1919, in accordance with the wishes of the people of India, was calculated to endanger the new regime.

After a short debate it was pointed out by many members that such a recommendation was useless and unnecessary and eventually it was withdrawn.

Mr. Khaparde moved that a Committee of the Council be appointed to examine the recent distribution of portfolios among the Members of the Viceroy's Executive Council and to make recommendations. The resolution was negatived.

Dr. Ganganath Jha moved that steps be taken towards the appointment of a Committee of lawyers and Sanskrit scholars to consider the advisability and possibility of codifying the Hindu Law as administered by the British Courts of Justice and to advise upon the desirability of introducing such changes as may be consistent with the text of Hindu Law. He said that the existing application of Hindu Law was not in strict accordance with texts of Hindu Law. It was desirable, therefore, that a system should be evolved out of the existing conflicting rulings on Hindu Law. He knew of the great and complicated task which he asked the Government to undertake. But he pressed it as it was important.

On Dr Sapru opposing the resolution was withdrawn.

Mr. Lallubhai Samaldas moved that the following rule under Section 43 (1) of Act V of 1918 be sanctioned for the ascertainment of the total taxable income of an assessee carrying business in two or more places in the same or in different provinces. On Govt. agreeing to the spirit of the resolution, it was withdrawn.

Mr. Maung Po Bye moved a resolution recommending the desirability of establishing Peace and Vigilance Committees in all towns and villages to render active assistance and advice to the Government for the prevention and putting down of riots, disturbances, unrest and sedition. The mover said that this step would keep the people in touch with the position of the Government and make them realise where they could come into conflict with the law.

Mr. Khaparde moved an amendment saying that these Vigilance Committees be elected by either municipalities wherever they existed or by Taluq Boards. He said that the sphere of these committees was to keep the public and the Government informed of either's position, and thus avert unforeseen and undesirable develop-



ments. These committees must be elected, if they had to serve any useful purpose.

Sir William Vincent said that such a course would do more evil than good, and several speakers pointed out that some of the local bodies were in the hand of the non-co-operators.

Mr. Khaparde's amendment was put and lost.

Mr. Maung Po Bye, replying to the debate, said that his motion was not directed against the Non-Co-operation movement, but merely sought to invite the attention of the Government to the usefulness of such committees in Burma wherefrom he came. He was willing to withdraw if the Home Member would forward to the Burma Government a copy of the debate on this resolution. Sir William Vincent promised to send a copy to the Burma Government and not to other Governments.

The resolution was thereupon withdrawn.

### The Legislative Assembly

On March 24th the Legislative Assembly met to consider the Finance Bill as amended by the Council of State. At the outset strong objection was taken by several members that the Bill as passed by the Assembly was further amended by the Upper Chamber. Mr. Ginwala raised the constitutional question as to whether the Upper Chamber had any power to make amendments to the Money Bills passed by the Assembly. After a good deal of strong criticism of the Council of State, on the suggestion of Mr. Hailey the House adjourned for one hour and the President withdrew and there was an informal discussion over the matter. On the House re-assembling Sir Sivaswami Iyer asked the members to proceed with the question from a practical point of view. If the Assembly refused to pass the Bill because of the amendments made by the Council of State and the latter refused to pass the Bill as accepted by the Assembly, there would be a dead-lock, and then the only course left was for the Viceroy to use his veto. Was the House prepared in the first year of its existence to make a recommendation to the Viceroy that they were not able to work the new constitution without friction? He urged for a compromise. The House agreed to this and the Bill as amended by the Council of State was taken up for consideration. Dr. Gour wanted again to throw up the Council of State's recommendation for a nine pies letter and replace it by a clause that half anna be charged for a half tola letter. Mr. Hailey observed that the best course was to pass the recommendations of the Council of State as they were and to allow the Government to introduce half anna for half tola separately



by executive order. This was agreed to and finally the Bill as amended by the Council of State was passed.

On the 26th Mr. Bagde moved for the appointment of a Committee to consider the question of the codification of Hindu Law and, if possible, to prepare a draft for submission to the Indian Legislature.

Dr. Sapru, on behalf of Govt. opposing, said that the Govt's position in the matter was this:—They would address the Local Governments, various High Courts, Bar Libraries and Legal associations as to whether in their opinion the time had arrived for the codification of the whole of Hindu Law and, if so, on what lines and by what means. Until the Government had obtained their views, it would be impossible to give a more decisive or more affirmative reply. Mr. Bagde then withdrew his resolution in view of the Law Member's assurance.

#### Civil Appeals

Dr. Gour then moved that early steps be taken to establish a Court of ultimate appeal in India for the trial of civil appeals now determined by the Privy Council in England and as a court of first appeal against convictions for serious offences occasioning failure of justice. In a long speech Dr. Gour traced the history of the Courts of Appeal and made long references to existing practice in other countries and the British Dominions. He emphasised that he had no intention of destroying the Judicial Committee of the Privy Council or in any way limiting the King's prerogative. What he wanted was a final Court of Appeal in India leaving it to the suitor to bring his case either before the Privy Council or the Court proposed and thereby lighten the work of the Privy Council.

Dr. Sapru moved the following amendment that for the words "to establish a Court of ultimate appeal in India for the trial of all civil appeals now determined by the Privy Council in England and as the Court of First Appeal against convictions for serious offences occasioning the failure of justice" the following be substituted, namely, "to collect the opinions of the local Governments, the High Courts and other legal authorities and to ascertain public opinion generally as to the desirability of establishing a Supreme Court of Appeal in India for the trial of civil appeals and its relation to the Privy Council and as to whether such a Court of Appeal should also have any jurisdiction in regard to criminal cases."

Dr. Sapru pointed out that Dr. Gour's resolution could not be accepted by the Government without carefully examining the whole position by eliciting the opinions of various learned bodies. The questions raised by Dr. Gour were of such a far-reaching



character that opinions of legal bodies etc., were necessary before taking action thereon. The resolution as amended was carried.

## The Council of State.

On March 26th after the passage of certain official bills, such as the Calcutta Universities Bill, which were passed by the Assembly, Mr. Rangaswami Iyengar moved a resolution urging the extension of amnesty to Savarkar Brothers. The resolution was negatived.

### The Arms Act.

Lala Sukhbir Singh moved that all Magistrates and Members of the Provincial Legislative Councils, the Assembly and the Council of State also be exempted from the operations of the prohibition and restrictions contained in the Arms Act. He said that the U. P. Council had passed a much wider resolution on this subject. He asked, was it not in consonance with the dignity of this House to accept a resolution of such narrow applications?

On the motion of Sir Maneckji Dadabhoi who supported, the resolution was put in parts, and exemption in the case of Magistrates was carried, sixteen voting for and fourteen against. Exemption in the case of the members of Local Councils was lost, while in the case of members of both the Houses of Indian Legislature, exemption was agreed to by a majority, the Government members voting against it.

### Reparations to India

Mr. Kale moved that the Secretary of State be moved to secure for this country through His Majesty's Government an adequate share of indemnities and reparations to be obtained from Germany. He said that India was a member of the League of Nations. It had contributed to War both in men and money, and out of the 22 per cent share of the British Empire India should get a sum consistent with her sacrifices.

This was carried unanimously.

## The Legislative Assembly

On March 28th the Legislative Assembly met for the last time to transact business in the winter session. The most important business on the agenda was the resolution on the Esher Report.

Dr. Sapru made a very important statement absolutely denying the alleged bombardment of Najafi Ashraf and giving details of the steps taken to exact fines of 3,000 Rifles from the city.

Dr. Sapru also stated that Nujjatul Islam Hazarat Sharias Asphane died of old age and not from any other cause.



Mr. Lathe introduced a Bill to amend the law relating to the emoluments claimable by Watandar Hindu priests.

**The Army in India.**

Sir Sivaswamy Iyer then moved the first of a long series of resolutions embodying the Assembly Committee's Report on the Esher Committee's recommendations. He moved: "That this Assembly recommends to the Governor General in Council that the purpose of the Army in India must be held to be the defence of India against external aggression and the maintenance of internal peace and tranquillity. To the extent to which it is necessary for India to maintain an Army for these purposes, its organisation, equipment and administration should be thoroughly up-to-date and, with due regard to Indian conditions, in accordance with the present day standard of efficiency in the British Army, so that when the Army in India has to co-operate with the British Army on any occasion there may be no dissimilarities of organisation, etc., which would render such co-operation difficult for any purpose other than those mentioned in the first sentence. The obligations resting on India should be no more onerous than those resting on the Self-Governing Dominions and should be undertaken subject to the same conditions as are applicable to those dominions. (b) To repudiate the assumption underlying the whole Report of the Esher Committee, (1) that the administration of the army in India cannot be considered otherwise than as part of the total armed forces of the Empire and, (2) that the military resources of India should be developed in a manner suited to Imperial necessities."

Sir Sivaswami Iyer, speaking on this resolution, traversed the ground occupied by his fifteen resolutions, which formed the recommendations of the Assembly Committee. He pointed out the difficulty of the Committee in going through all recommendations of the Esher Report in the course of the six days at its disposal. The Assembly Committee felt that the Esher Committee took unduly restricted view of their terms of reference inasmuch as they did not touch the strength and composition of Army, financial effect of their report, methods of recruitment to commissioned ranks of the Indian Army, and the best way of giving effect to the natural aspiration of the people of India to play an honourable part in the defence of the country, and the ratio of British to Indian troops. The Army Committee confined itself to the contentment and efficiency of the army. The result of the Committee's Report was that it created disappointment and alarm with regard to fiscal burdens and with regard to the question of the national claim for self-defence. However, the Assembly Committee had attempted to put forward constructive proposals, but for want of time they could not deal with



auxiliary services such as medical and engineering. The speaker here expressed his surprise that as announced by the Chancellor of the Exchequer some days ago, an Army of 340 thousand would cost England only 69 millions, while an Indian Army at far lower figure would cost India 58 crores of rupees. His resolutions dealt with a most important point, that of the purpose for which the Army in India existed. He would make it clear that not a single pie should be spent on the Indian Army except to keep internal unrest, and to ward off external aggression and that for this purpose the efficiency of the Army would be the same as that of the British Army. India did not desire to shirk obligations. Let them be the same as those rested upon the Self-Governing Dominions. The speaker deprecated the idea underlying the whole of the Esher Report that the Indian Army be developed suitable to Imperial necessities and that its administration could not be considered otherwise than part of the total armed force of the Empire. He was glad that there was little difference on this point between him and Sir Godfrey Fell.

The second resolution standing in his name specified the purpose for which the Army was maintained. It urged that the Indian Army should not be used outside India except in the case of grave emergency affecting the Empire. Thus the Indian Army could not be used for offensive purposes, and they had inserted a proviso making it permissible for the employment of Indian troops for garrison purposes at home expenses. Although this proviso was objected to by certain Members of the Assembly Committee, it was insisted upon at the instance of Dr. Gour who convinced other Members that the employment of Indian troops for garrison duty would furnish Indian soldiers with valuable experience of war in other countries and under different conditions.

The third resolution intended to place the portfolio for defence under a Civilian Member of the Executive Council. This was a step towards the assimilation of Indian and English systems by maintaining the supremacy of the civil over the military power. The absence of Responsible Government did not preclude India from following the example of England in this respect. Moreover, this was consistent with the approach of India towards Self-Government, and without interfering with the prestige and dignity of the Commander-in-Chief, it would relieve him of the great burden falling upon his office. The Assembly Committee also emphasised that to secure unity, the Surveyor-General should be a Civilian Member of the Commander-in-Chief's Military Council and that production and provision should not be entrusted to a Civilian Member of the Executive Council, as this would unjustifiably strengthen the Army element on the Executive Council.



The fifth resolution dealt with the appointment of the Commander-in-Chief, Army Commanders and Secretary to the Military Department, India Office. In all these cases, the Government of India and the Secretary of State should be consulted when appointments were to be made, and the Military Secretary, India Office, should be ex-officio Deputy Chief of the General Staff, and not under orders of the Chief of the Imperial General Staff.

The sixth resolution proposed to subject the direct right of the Commander-in-Chief's correspondence with the War Office to restrictions that it did not commit the Government of India to any pecuniary obligations and any military policy which had not been decided by them. He pointed out that the right of restricted correspondence was allowed, as the Committee had been satisfied that it resulted in the expedition of work. It was a harmless and business-like proposition.

The seventh resolution wanted free admission of Indians into commissioned ranks, including military, naval, air forces, auxiliary services such as Medical and Engineering, and for this purpose, to begin with twenty-five per cent of the King's commission be granted every year to Indians. There was a feeling in the country that the Government had not in the past given a fair chance to this experiment, and whatever Indians were recruited, were taken from the aristocratic class. To make this experiment a real success, educated middle classes be freely admitted to commissioned ranks.

The eighth resolution wanted an Indian Sandhurst. The Assembly Committee was told by Sir Godfrey Fell that even if 25 per cent commissioned ranks were given to Indians, the number of these candidates would not exceed 12 or 15 in the beginning. Thus the immediate establishment of Sandhurst here would be extremely expensive owing to the very small number of candidates. The Committee, therefore, agreed to ask the Government to establish Sandhurst as soon as the number of Indians increased.

The ninth resolution urged that in the interest of economy, the pay of commissioned ranks be fixed on the Indian basis with overseas allowance in case of both Indians and British when serving overseas. He was afraid that the Indian Civil Service to which they were grateful for many things had set the bad model of most costly service. This bad example was even followed by all other services thereby raising the standard of living. However, retrenchment could only be effected by forming an adequate Territorial Force on attractive conditions by introducing a system of short color service and by gradually reducing the ratio of British to Indian troops.

The tenth resolution intended to remedy the great heart-burning



among the Indian *intelligentsia* when their ranks in the Indian Territorial Force differed from those of the members of the Auxiliary Force. Mr. Spence was afraid that although the Territorial Force had been established, its provisions could not inspire confidence. Therefore, all distinctions between two sister services be removed by giving the same ranks to members of both services. Then, again, there should be no interchange of officers between the British and Indian services, provided this did not interfere with the proper administration of the Indian Army according to India's needs.

The next demand was that economy be effected by the reduction of ministerial and clerical staff at Army headquarters.

The fourteenth resolution that stood in the speaker's name recommended for the appointment of a Committee to examine and report those points which had not been touched by the Esher Committee, such as Indian aspirations, financial capacity of India to bear the military burden, claims of equal status with other Dominions and the method of recruitment to commissioned ranks of the Army. But in view of the Non-Co-operation movement and soul-force and the attitude of Muhammadan leaders to welcome an Afghan invasion, and in view of the Bolshevik menace, the Assembly Committee had thought it fit to recommend that such a Committee be appointed only when external and internal conditions were favourable. Speaking on Indian representation on the Esher Committee, Sir Sivaswami Iyer said that Sir Umar Hayat Khan was, as rightly described by some of his friends, a friend of all countries but his own.

The last resolution asserted that 'Anglo-Indians' were included in the term 'Indian' in all of his resolutions.

Sir Sivaswamy Iyer expressed the great sense of humiliation which the Indians felt in having all through been treated in the Army as hewers of wood and drawers of water. He appealed to the characteristic phase of British policy to do the right things at the right time by following a line which would restore the emasculated nations to its full vigor and further add to the efficiency and contentment of the Indian Army,

An Amendment proposed by Mr. Reddiar to the 1st resolution was defeated. The third resolution of Sir Sivaswamy that the Commander-in-Chief should not be in the Executive Council met with considerable opposition led by Mr. Seshagiri Iyer and Dr. Gour and was finally defeated. An Amendment moved by Mr. Renouf of Punjab to the 7th and 8th resolution of Sir Sivaswamy, adding the following clause, "that in granting the King's Commissions, after giving full regard to claims to the promotion of officers of the Indian



Army who already hold commissions of His Excellency the Viceroy, the rest of the commissions granted be given to cadets trained at Sandhurst" was carried by 30 to 29 votes.

Mr. Iswar Saran moved an amendment to the 8th resolution on Indian Sandhurst — "That, as soon as funds be available, steps should be taken to establish in India a Military College such as Sandhurst and the desirability of establishing in India training and educational institutions for other branches of the Army should be steadily kept in view."

The Commander-in-Chief accepted the amendment, and promised to start a College at Dehra Dun for the education of young Indians, particularly sons of Indians officers in service, as soon as funds would permit. The resolution as amended was then carried.

After a large number of amendments had been moved and lost, Sir Sivaswamy's other resolutions were passed.

Mr. Samarth moved the last resolution on the agenda that the Assembly expressed no opinion on such recommendations of the Report of the Esher Committee as had not been dealt with in foregoing resolutions.

Sir Godfrey Fell opposed this most strongly. He said that the Report had been before the country for several months. The Select Committee of the House had criticised and even damned the Report. Was it now fair for the mover, who was himself a member of this Committee, to turn round and say that they had not expressed an opinion on their recommendations? The Government of India had specially asked the Secretary of State to withhold action on the Esher Report till the Assembly had expressed its opinion on it. Was it in accordance with the traditional generosity of Indians to now turn round and disclaim responsibility for the rest, especially when the Government had given them opportunity to express opinion on any recommendations of the Committee?

Mr. Samarth, replying, said that he could not understand the reasons for the outbursts of Sir Godfrey Fell when the Select Committee itself had stated that for lack of time, they could not examine all parts.

The resolution was carried almost all non-officials voting for it. Next day, March 29th, both the Houses met in the morning and the Viceroy, Lord Chelmsford, prorogued the first session of the Reformed Indian Legislature and bade farewell to them.



# The Central Legislature.

## SEPTEMBER SESSION.

The Second Session of the Central Legislature was held at Simla in September 1921. The new Viceroy Lord Reading addressed a joint sitting of the two Houses on September 3rd. In the course of a long speech His Excellency referred to the more important of the problems that faced the country. He first referred to the coming visit of the Prince of Wales and hoped that India would accord to His Royal Highness a fitting welcome. He next turned to the Munitions case scandal and paid a high tribute to Sir Thomas Holland (See Vol. I, p. 259). Turning to the Afghan treaty and the affairs of the frontier, he expressed satisfaction at the progress of operations. His Excellency then continued :—

### Turkey.

“Unhappily, Greece and Turkey are still at war, notwithstanding the strenuous efforts of the Allies and notably of His Majesty’s Government to effectuate a settlement of the grave disputes between these two countries. My distinguished predecessor, Lord Chelmsford forcibly and persistently represented the views of the Indian Moslems to His Majesty’s Government, and to the best of my capacity I have pursued and shall pursue the same course. It is also well known that the Secretary of State for India has laboured most loyally and strenuously to persuade the Allies to adopt a policy more in consonance with the opinion of India. I dare not, at this moment when operations of war are proceeding, hazard an opinion as to the future. But I may express my fervent hope that a treaty of peace may soon be concluded on terms which will be reasonably satisfactory to Turkey and also to Indian Moslem opinion. May I also observe that differences between some portions of the Moslem population that hold extreme views and the rest of Indian Moslem opinion do not strengthen the representations which I may make to His Majesty’s Government in order that we may bring about a settlement satisfactory to Moslem opinion in India (Applause.)

### League of Nations.

“It is some consolation in these days to turn from the contemplation of warlike operations to the labours of the League of Nations. India took its stand from the first for the League, which in my judgment gives the best hope of preventing future wars.



The creation of a permanent International Court of Justice is one step and not an unimportant step in the settlement of disputes by the arbitrament of reason, and in this connection I am pleased to be able to inform you that His Majesty has been graciously pleased on behalf of India to ratify the acceptance of the statute for the constitution of a permanent Court of International Justice which was accepted by the representatives of India on the Assembly of the League of Nations. The Judges of the Court will be elected by the Assembly of the League of Nations and by the Council from lists of persons nominated by national groups representing the various nations which have accepted and ratified this statute. In appointing this national group for India my Government have endeavoured to elect persons of the highest reputation and competency, and I am confident you will agree with me that Mr. K. Srinivasa Iyengar, now a Member of the Executive Council at Madras, Mr. Justice Rankin, Judge of the High Court of Calcutta, Mr. S. Hassan Imam, Barrister-at Law, Patna, and Sir Thomas Strangman, Advocate-General in Bombay, who have accepted the appointments as members of the national group to fulfil these conditions. Their duties will be to nominate persons from whom the Judges of the Court will subsequently be elected. The Court will have jurisdiction in cases of disputes between members of the League which the members agree to refer to it and also in international disputes, in Labour cases and in transit and communication cases.

#### The Imperial Conference.

"I have followed with the deepest interest the events at the Imperial Conference in London where India had the good fortune of being represented by the Secretary of State, the Maharaja of Cutch and the Right Hon. Srinivasa Sastri, one of His Majesty's Privy Councillors. Although they were not able to achieve all they wished, it cannot be doubted that they have secured a notable recognition of the status of Indians in the Empire. It may be a tardy recognition, but it established beyond all question and authoritatively by the conclusions of the Premiers assembled at the Imperial Conference, with one dissentient, the equal status of Indians in the Empire. Secondly, the attitude of His Majesty's Government and their recognition of this principle will mean that it will be applied in other parts of the Empire which are not under Dominion Government and notably in East Africa. In India we cannot but rejoice at these conclusions notwithstanding that we deeply regret that the representatives of South Africa felt themselves unable to accept them. We must not close our eyes to their



difficulties. These are of a special character, but we must continue our efforts to bring about a recognition in South Africa. Assuredly we need not be discouraged by the result at the Imperial Conference. Indeed we should be stimulated to continue our labours and I give you my assurance that I will strive to the full extent of the power and ability I may possess to obtain the recognition in South Africa and elsewhere of the principle accepted by the other Dominions and His Majesty's Government and to secure that it shall be so interpreted as to satisfy Indian pride and patriotism. I cannot pass from this subject without expressing gratitude to the representatives of India who represented the interests of Indians so ably and eloquently. I have read with great pleasure the reports of the reception of the Maharaja of Cutch and Mr. Sastri. It is beyond doubt that they have raised the status of Indians in the Councils of the British Empire. They have contributed to the appreciation of the intellectual capacity, the graceful courtesy and the sensitive responsiveness of Indians and have made a deep impression upon all with whom they have come into contact in England and elsewhere."

**The Moplah outbreak.**

Turning to Moplah outbreak, H. E. said :—

"I trust, I need not assure you, that having passed my life in the profession of the law and steeped as I am in the Liberal traditions of England, I would never proclaim martial law unless I was convinced that it was absolutely necessary for the security of the country and for the safety of the population in the disturbed areas. In my judgment, I should have failed in my duty if I had not taken this step in the emergency that arose and had not given to the local Government all the assistance and support that could be rendered in quelling the uprising of the Moplahs and in protecting innocent citizens against the criminal acts of a violent mob. We must, however, be careful to view those disturbances in their proper setting. It would be rash, and in my view wrong, to assume that this rising is to be taken as symptomatic of the condition of the whole of India. It must be remembered that this district has always been a storm centre and serious disorders have occurred in the past. I shall not enter into a lengthy discussion of the events and conditions that led to this serious outbreak, which may be said without an exaggeration of language to have assumed the character of a rebellion. Because I am well aware that you will have opportunities of discussing these matters in the course of your debates, I shall only make some general observations for your consideration. It is obvious from the reports received that the ground had been carefully prepared for the purpose of creating



an atmosphere favourable to violence and no effort had been spared to rouse the passions and fury of the Moplahs. The spark which kindled the flame was the resistance by a large and hostile crowd of Moplahs, armed with swords and knives, to a lawful attempt by the police to effect certain arrests in connection with a case of house-breaking. The police were powerless to effect the capture of the criminals and the significance of the incident is that it was regarded as a defeat of the police and therefore of the Government. Additional troops and special police had to be drafted to Malabar in order to effect the arrests. The subsequent events are now fairly well-known, although it is impossible at present to state the number of the innocent victims of the Moplahs. These events have been chronicled in the press and I shall not recapitulate them. The situation is not to all intents and purposes in hand. It has been saved by the prompt and effective action of the military and by naval assistance for which we are really grateful, although some time must necessarily elapse before order can be completely restored and normal life under the civil Government resumed. But consider the sacrifice of life and property. A few Europeans and many Hindus have been murdered, communications have been obstructed, Government offices burnt and looted, and records have been destroyed; Hindu temples sacked, houses of Europeans and Hindus burnt. According to reports, Hindus were forcibly converted to Islam and one of the most fertile tracts of South India is threatened with famine. The result has been a temporary collapse of civil Government. Offices and courts have ceased to function and ordinary business has been brought to a standstill. European and Hindu refugees of all classes are concentrated at Calicut and it is satisfactory to know that they are safe there.

#### The Responsibility

“But, apart from direct responsibility, can it be doubted that when poor unfortunate and deluded people are led to believe that they should disregard the law and defy authority, violence and crime must follow. This outbreak is but another instance, on a much more serious scale and among a more turbulent and fanatical people, of the conditions that have manifested themselves at times in various parts of the country and, gentlemen, I ask myself and you and the country generally what else can result from instilling such doctrines into the minds of masses of the people? How can there be peace and tranquillity when ignorant people, who have no means of testing the truth of the inflammatory and too often deliberately false statements made to them, are thus misled by those whose design it is to provoke violence and disorder. Passions are



thus easily excited to unreasoning fury. Although I freely acknowledge that the leader of the movement, to paralyse authority persistently and as I believe in all earnestness and sincerity, preaches the doctrine of non-violence and has even reproved his followers for resorting to it, yet again and again it has been shown that his doctrine is completely forgotten and his exhortations absolutely disregarded. When passions are excited as must inevitably be the consequence among emotional people, to us, who are responsible for the peace and good government of this great Empire and I trust to men of sanity and common sense in all classes of society, it must be clear that the defiance of the Government and constituted authority can only result in widespread disorder, in political chaos, in anarchy, and in ruin. There are signs that the activity of the movement or at least of one section of it, may take the form of even a more direct challenge to law and order. There has been wild talk of a general policy of disobedience to law, in some cases, I regret to say, accompanied by an open recognition that such a course must lead to disorder and bloodshed. Attempts have even been made by some fanatical followers of Islam to educate His Majesty's soldiers and police from their allegiance,—attempts that have, I am glad to say, met with no success. As head of the Government, however, I need not assure you that we shall not be deterred one hairs breadth from doing our duty. We shall continue to do all in our power to protect the lives and property of all law-abiding citizens and to secure to them their right to pursue their lawful avocations and above all we shall continue to enforce the ordinary law and to take care that it is respected. It is the manifest duty of every loyal subjects of the King-Emperor, just as it is the interest of all who wish to live peaceful lives with a security of protection against violence and crime, to oppose publicly a movement fraught with such dangerous possibilities and to help the officers of Government in their task of preventing and suppressing disorder. And all this time I and my colleagues are ready and anxious to do all that is possible to allay legitimate discontent and to remedy the grievances of the people of India. I am free to admit that there are grievances to be remedied and we are constantly directing our attention to devising the proper remedies for this purpose, and I am well aware that we can rely upon your assistance in this and future sessions for you to sit here to mirror public opinion, and I and my Government will continue gladly to welcome the help you may give to us."

Then referring to the Press Act which was going to be repealed in that session, His Excellency said :—

"There is however one part of the report upon which I think it is necessary to make some reservation and that is in relation to the



protection hitherto afforded since 1910 to ruling Princes against seditious attacks upon them in newspapers published in British India. If the Press Act is repealed it may become necessary to consider what form of protection shall be given to them in substitution. I will not pursue the subject now but it will doubtless be discussed at a later stage. The Repressive Laws Committee, another committee of a very similar character, has recently made a careful examination of certain laws and regulations which confer extraordinary powers on the executive Government. Their Report will shortly be published and I trust that it will command your approval and that of the country at large. I cannot make an announcement regarding the Legislative measures that will result from the committee's labours as they have not yet been considered by my Government, but I think I may safely state that a number of laws popularly regarded as infringements of the liberty of the subject will in all probability be repealed. The consideration of this subject brings me not unnaturally to the cases of the 86 men sentenced in connection with the Punjab disturbances of 1919 who are still in jail. I wish it had been possible for me to-day to have announced my decision to you, but I am not yet quite ready to declare it. I confess that when I undertook myself to examine each of these 86 cases I under-estimated the labour involved and I did not sufficiently realise the constant demands upon my time consequent upon the responsibility of the position I occupy. Unexpected events happen and decisions must be made immediately and I am sure that I need not remind you of the unexpected incidents that have happened during my short period of office."

After referring to the Fiscal Commission which was going to sit from the next month and the great industrial unrest and the formation of Trade Unions all over the country, His Excellency then touched on the insulting behaviour of Europeans towards Indians in their own country, and said :—

#### Racial Antagonism

"The evidence of strong racial antagonism, that to some extent prevails, has caused me the greatest concern since my arrival in India. Regrettable incidents have come to my notice on both sides. At the same time, I am far from asserting that the fault is all on one side. It seems to me that, among the factors contributing to this unhappy racial tension, instances of violence and discourtesy by Europeans against Indians, which occur from time to time, although in truth I believe infrequently, cannot be overlooked. There is in general, I venture to assert, no ground of complaint to be made, but any instance of incivility attracts far more attention



than the usual and infinitely more numerous instances of courtesy by Europeans to Indians. Neither can it be said that the results of the trials of Europeans concerned in criminal cases arising from acts of violence or from improper conduct have always given satisfaction to the public. I have been made aware of a very prevalent feeling amongst Indians that in such cases strict justice does not always result when a European is concerned and it cannot be said that the result of such trials always satisfies the public conscience. In particular my attention has been directed to the differences in the legal procedure applicable to Europeans and Indians, Local Governments have been consulted and an opportunity will be taken during the course of the present session to lay before you the proposals of my Government as to the steps which should be taken for further examination of this question, and I trust that in the result means will be found to satisfy public opinion, that justice will be done both to Europeans and Indians."

After congratulating the Legislature on the wisdom it had displayed at the last session, and eulogising the patriotic service of the members, His Excellency concluded his speech.

### The Legislative Assembly

*SIMLA—5TH SEPTEMBER 1921*

On Sept. 5th the Assembly met with a heavy agenda. After interpellations, Mr. T. Rangachari moved for an adjournment of the House to consider the Moplah situation in Malabar to which the House agreed.

Dr. Gour moved a resolution extending a dutiful and loyal welcome of address from the Indian Legislature to H. R. H. the Prince of Wales setting forth the national aspirations of the people of India as voiced by their representatives in the Indian Legislature, and appointing for that purpose a Joint Committee of both Houses on which eleven members of the Assembly would sit. The motion was well-received by the majority of the members, Mr. Agnihotri opposing it on political and economic grounds for which several speakers assailed him. The President put the resolution to the vote which was carried amidst acclamations.

Mr. Lakshmi Narayan Lal moved a resolution welcoming the Viceroy which was carried unanimously without discussion.

*Parliamentary Delegation to India.*

Sir William Vincent submitted for vote the grant of one lakh towards the cost of the proposed Delegation of the Empire Parliamentary Association to India during 1921-1922. The Home Member said that the Parliamentary Association contained members of all self-governing dominions and travels throughout empire to keep



itself in touch with all parts of the British Commonwealth. The necessity for seeking an early grant was due to Government's anxiety to issue an early invitation to the Delegation. Other supplementary grants were to be introduced by the Finance Member later on. The speaker informed the House that when the matter of this grant was placed before the Standing Finance Committee a desire was expressed by the body that India should also be represented on Parliamentary Association. Government communicated this desire to the Secretary of State who informed that the Association would decide India's request according to its own constitution which at present only admitted self-governing dominions, but it was hoped that when the delegation visited India it would have several opportunities of discussing the position with Indian Legislature. India had much to gain by voting a grant for the visit of the Delegation which would gain a first-hand knowledge of a practical form of the capacity, industry and one of responsibility exhibited by the Indian Legislature. Money asked for would thus be well spent.

Messrs Rangachari and Joshi supported the grant, the latter emphasising that, due to objectionable attitude of South Africa towards Indians in that country, India could not extend heartfelt welcome to the South African members of the Delegation.

Mr. Spence on this pointed out that the South African attitude towards India was the added reason why South African members of the Delegation welcomed to gain the first-hand knowledge of India thus making a solution of the Indian problem in South Africa easier. The grant was put and agreed to.

Coming to the legislative business the House agreed to the addition and substitution of some members to the four Select Committees appointed at the Delhi Sessions.

The motion for the reference of the Code of Civil Procedure 1908 Amendmeat Bill to a Select Committee was postponed for the present on a request of the Home Member.

On the motion of Mr. Hullah, Revenue Secretary, the House agreed to commit the Bill to amend the law relating to emigration to a Select Committee consisting of Dr. Sapru, Mr. Innes, Mr. N. M. Joshi, M. C. W. Rhodes, Rai Sahib Lakshmi Narayan Lal, Mr. Bhupatiraju Venkatapatiraju, Mr. Salebboy Karimji Borodawalla, Haji Wajibuddin, Sardar Gulab Singh, Babu K. C. Neogy, Rao Bahadur T. Rangachariar and Mr. Hulla.

Another Bill to amend the Post Office Act 1898 was also introduced by Mr. Innes.

#### Indian Marine Act

Sir Godfrey Fell, the Army Secretary, was allowed by the Assembly to introduce the Indian Marine Act 1887 Amendment



Bill which proposed to confer on the Director of the Royal Indian Marine power to convene the Indian Marine Court for trial of a gazetted officer of the Royal Indian Marine. The power to confirm sentences awarded by such courts will however remain with the Governor-General in Council. The amendment was necessitated by delays and inconveniences involved in the present procedure of requiring previous sanction of the Governor-General, in Council to the Assembly of an Indian Marine Court.

The Indian Works of the Defence Act 1903 Amendment Bill was also introduced. The amendments are purely of a formal nature and are necessitated by the recent changes in the organisation of the Army in India.

#### War Relief Trust.

When leave for introducing the last bill on the agenda for constituting a War Relief Trust was sought for, Government incurred an unexpected defeat, Mr. Price, who opposed the motion, carrying the majority of the House with him in favour of refusing the introduction of the Bill.

Mr. Hailey who was in charge of the Bill said it was intended that the War Relief Trust for India be constituted to take over the balances of the Great War Relief Distress Fund and the Patriots and the Indian Heroes Funds totalling 28 lakhs to be reserved as a permanent fund to relieve the trouble arising out of future military operations in which the Indian Army be employed and the remaining eleven lakhs to be allocated as a grant in aid towards the election of educational establishments which would cater solely for the children of the Indian officers and soldiers.

Mr. H. L. Price vehemently opposing characterised the Government Bill as misappropriation of funds over which the Assembly was asked to grow grass by an act of legislature. His main objection was the diversion of the fund from its original purpose especially when those who suffered in the great war were in need of help.

#### The Moplah Debate

Mr. T. Rangachariar who had moved for adjournment of the House in the morning then rose and commenced his remarks by giving a graphic account both historical and temperamental of the Moplahs whose chief characteristic was extreme religious fanaticism which led them to think that it was glory to die in fighting for one's faith. The past century had sufficiently shown the stuff they were made of. In fact, it was due to their murderous outrages that the Moplah Act of 1859 was passed. It was, therefore, no wonder that extreme violence had now been resorted to by these people, but to him it seemed that the District Magistrate



of Malabar had done a wrong thing in going to arrest highly respected leaders of these extraordinary people without taking with him sufficient force and without beforehand taking adequate precautions for the protection of law-abiding citizens, knowing, as the Magistrate did, that there was every chance of resistance. The result was that the District Magistrate had to retire leaving the Moplahs encouraged by their so-called defeat of the police to play havoc with the population in the surrounding villages. He was also surprised to find why Government had so long been shilly-shallying and dilly-dallying with the Khilafat agitators who had stirred the Moplahs to their present passion for violence. His great consolation, however, was that no non-Moplahs had sided with the rebels. The Government of India had, in his opinion, acted very wisely in declaring Martial Law. (Applause). But he felt bound to emphasise that too much reliance should not be placed on the authorities of Government of Madras and the local authorities, and that the Central Government should keep effective check on them to make a repetition of the Punjab affairs impossible, because he strongly felt that the officers and even Sir William Vincent were liable to lose their heads (Laughter). He criticised the action of the Civil authorities in handing the situation over to the Military before the declaration of Martial Law and demanded that whenever machine guns were used the number of casualties ought to be announced which unfortunately the Government had been all through neglecting. They also had no information as to whether medical relief was given to the wounded. Mr. Rangachariar urged that the Government of India should see that precautions were being taken to see that the bulk of the innocent population was not subjected to unnecessary hardships during the administration of Martial Law, and that local non-officials with intimate knowledge should first be consulted by the Military authorities before deciding upon any course of action.

Colonel Gidney, in a long speech directed mainly against non-co-operation, condemned the whole movement asking the Government to take effective and immediate measures to check Mr. Gandhi's revolutionary, murderous and insurrectionary propaganda which was bearing fruit in Malabar.

Mr. Subramanyam questioned the utility of lecturing the House on non-co-operation and its evils and condemning Mr. Gandhi who was not present in the Chamber. Touching the Moplah situation the speaker considered that the terms of the Martial Law ordinance were quite fair and satisfactory. He, however, desired the Government to explain as to how it was that the local authorities, the men on the spot, as they were always called who were em-



powered even to restrict certain persons from going to Malabar, how could these—in the words of Government “efficient and zealous officials”—remain ignorant of the warlike preparations in which the Moplahs were engaged in collecting arms and manufacturing war-knives? To him it was still a mystery which could only be explained by the fact that the officials were too much after things on the surface never knowing what was going on beneath it.

Sir William Vincent speaking on behalf of the Government expressed great regret that the tone of the previous speakers did not suit with the message of encouragement which the Assembly ought to send to the officers facing great difficulties. It was no use saying that the District Magistrate did not requisition the military help before-hand, for, he asked, whether the Assembly would vote a grant for these military expenses. In fact, the District Magistrate had taken with him a force which would ordinarily appear as quite sufficient to meet the situation. He was, however, glad that now the situation was well in hand although the Moplah casualties had been very heavy owing to their being absolutely regardless of life. He announced that the Government was that day issuing another supplementary Ordinance creating Special Tribunals consisting of one High Court Judge and two Sessions Judges subject to Section 401 and 402 of the Criminal Procedure Code empowering the Government of India and the Local Government to make orders in respect of the persons sentenced by special tribunals. The right of appeal to the High Court in case of all sentences of death or transportation for life or of imprisonment for a term of ten years or more was also granted. The Government of India had issued instructions about the manner in which Martial Law would be administered and were waiting the Madras Government's reply, but he asked the House to have confidence in the sense of justice and humanity of officers (Hear Hear). Instructions had already been sent to guide the officers to treat the rebels with as less severity as possible. As for non-co operation, although the political situation was dangerous, the Government's policy towards that movement could not be changed by an isolated disturbance in Malabar. However, he wanted to emphasise that there had been attempts, though unsuccessful, to tamper with the loyalty of troops which no Government could view with equanimity. Although Government did not propose any deviation from the policy laid down by the Assembly at the last Delhi session towards the non-co-operation movement, he hoped that whatever measures the Govt. would take to bring certain persons to justice, it would have the cordial support of the Assembly.

Mr. Kabiruddin Ahmed repudiated the idea that the Moplah outbreak could in any sense be attributed to the activities of the



Khilafat for, he asked, how could it be that Moplahs should attack the Hindu Temples and forcibly convert Hindus to Mahomedans which was in direct conflict with the fundamental issue of the Hindu-moslem unity which was the bedrock of the Khilafat.

Mohamed Yakin Khan observed that there was no justification for placing responsibility for the Moplah riots on non-co-operation and the party politics should not bind them to blame the other party for all the rash acts of the Moplahs.

After a few more observations from members, Mr. Rangachariar withdrew his motion.

## The Council of State

*SIMLA—5TH SEPTEMBER 1921*

In the Council of State, Sir M. Dadabhoy gave notice of an adjournment of the House to discuss the Moplah outbreak.

On the House agreeing, Sir Maneckjee Dadabhoy then moved his resolution proposing an address of welcome to H. R. H. the Prince of Wales. Sir Dadabhoy said that a similar resolution was being moved in the Assembly to-day, and after hearing the result thereof, he would suggest names for the Committee to draft the address of welcome. This was carried.

After a similar motion of extending welcome to the Viceroy was passed, Sir M. B. Dadabhoy moved for an adjournment of the House on the Moplah disturbances and said that he had no desire to embarrass the Government or express any opinion on the action of the Madras Government in connection with the atrocities which had been committed but was representing the sentiments of the Indian nation when he said that the catastrophe that had happened in Malabar was prominently occupying the attention of the general public and every news was watched with great anxiety. They had read with horror and grief the reports of destruction of private and public property and forcible conversion of Hindus to Mahomedanism, but, as a whole, the history of the case had not been presented by the Madras Government in a collected narrative. He had expected to hear from the Home Member that for the last six months seditious agitators were preaching their doctrines to the fanatical Moplahs of Malabar and the Government had been aware of the impending danger, and he, therefore, could not understand why stringent measures of a precautionary character had not been taken by them especially when they knew that the Moplahs were collecting firearms, swords and other materials. If that had been done, they would have averted bloodshed and the loss of innocent lives that had unfortunately occurred. There was havoc and consequent con-



sternation. There were forces of disruption and disorganisation and things were going from bad to worse. The Government should take measures for their suppression and the maintenance of law and order, in all of which this Council would whole-heartedly support. He demanded from the Government the causes of the outbreak and the total number of casualties both European and Indian. Of course, he was satisfied at H. E. the Viceroy's statement that he being nurtured in the traditions of the Inns of Court, he could not have declared the introduction of Martial Law unless he was convinced of its absolute necessity. That statement put the matter beyond all controversy. But as Martial Law was a negation of the law, and with the experience of the Punjab before them, he hoped that it would not be enforced a moment longer than it was necessary and would be removed the moment peace and order were restored. He referred to the Secretary of State's despatch on the Hunter Committee Report pointing out that there were certain canons of procedure for the consideration of the Military Authorities, and, in conclusion, asked the Government to take the public into their confidence and place before it every important matter concerning the outbreak.

Sir William Vincent then made a long statement supporting and justifying the measures taken by the officers of Government and said that unless the House voted more money such wide-spread disturbances could not be more quickly quelled. After a few other members had spoken the motion was withdrawn.

Next day, September 6th, the Council of State met to transact some official business. The Home Secretary was to have withdrawn the Cr. Pr. Code and Court Fees Act Amendment Bills, but he announced that since a withdrawal would reflect on the dignity of the House, Govt. had come to the decision to let the bills remain introduced only. On Feb. 21st the motion for a joint committee of both Houses to consider the bills was passed by the Council of State but was thrown out by the Leg. Assembly. As another motion for a joint Committee could not be moved in the same session, Government had to leave the matter as it stood.

The Cattle Trespass Act Amendment Bill and a bill providing for a preliminary warning for dispersing an assembly before using fire-arms were then introduced.

## The Legislative Assembly.

*SIMLA—9TH SEPTEMBER 1921*

The Assembly met on the 9th to transact non-official business. After interpellations Mr. Seshagiri Iyer moved for leave to introduce



a Bill to amend the Hindu Law relating to the exclusion from inheritance of certain classes of heirs and to remove certain doubts. In doing so he said that he wished to confine the measure to bringing the laws in various provinces into conformity with each other.

The Bill was allowed to be introduced by 56 against 21.

Dr. Gour moved for leave to introduce the Bill to prescribe a registered instrument merely to change the law of evidence relating to adoption and not the substantive portion to Hindu Law.

Mr. Joshi moved that the Government should take steps to introduce at an early date legislation for the repeal of the Workmen's Breach of Contract Act No. 13 of 1859 and Sections 490 and 492 of the Indian Penal Code. His motion, said Mr. Joshi, was designed to secure equality for all workmen in the eyes of the law. He wished that the existing legislation placing criminal liability on labourers for the breach of a civil contract should henceforth be done away with. His main objection was why a civil offence should be punished as a criminal offence and why this should be done in cases only of the working classes. The legislation was class legislation, providing for indentured labour, which was nothing short of slavery. The basic principle of indentured labour was criminal punishment for a civil offence and now that the Government of India was protesting against this sort of labour in other parts of the Empire, why should the Government let this labour remain on its own Statute Book?

#### SIMLA—15TH SEPTEMBER 1921.

After question time several official Bills were passed and then the most important items on the agenda *viz.*, the repeal of the Press Act and Mr. Samarth's resolution were taken up.

Bills to amend the Negotiable Instruments Act, Post Office Act, Indian Works of Defence Act, which were introduced on the 5th instant were all passed without discussion.

Mr. Innes was given leave to introduce a Bill to provide for the levy of customs duty on lac exported from British India.

The House gave leave to Mr. Hullah to postpone the consideration of his Land Acquisition Act Amendment Bill as passed by the Council of State.

#### Repeal of Press Act.

Sir William Vincent then asked for leave to introduce his Bill to repeal the Indian Press Act (1910) and Newspapers Incitements to Offences Act (1908) and to make certain provisions in regard to the liability of editors of newspapers and to facilitate the registration of printers and publishers and to provide for the seizure and disposal of certain documents.



He said that the Bill merely proposed to give effect to the recommendations of the Press Committee in toto. The proposals of the Committee had been before the public for sometime, and he hoped that the criticism against the printing of editors' names on every issue of the paper would be considered by the Select Committee when appointed. The Bill provided for the confiscation of seditious documents by the local Governments, the Customs and Postal Authorities, and that in all cases the aggrieved party had the right of final appeal to a special Bench of the High Court, the onus of proving the seditious nature of the documents falling on the Government. In the case of the Customs and Postal authorities the appeal lay first with the Local Government whose order could be further challenged in the local High Court. The High Court, in the absence of proof, shall set aside the order of the forfeiture. The bill also provided for two copies of each issue of the newspaper to be delivered gratis to the Government, failing which the offender may be punished with a fine to the extent of 50 rupees for every default. A person whose name had been incorrectly printed as Editor may make a declaration before the Magistrate within two weeks of his becoming aware of it. Then again, the term of imprisonment prescribed in sections 12, 13, 14, and 15 of the Press and Registration of Books Act shall be reduced from two years to six months. Two months provision had been made in the bill to render it unnecessary to declare a new forfeiture already made. Opportunity had at the same time been taken to make two small changes in Section (1) of the Press and Registration of Books Act to meet the inconvenience which resulted from the wording of that Section. The alterations were intended to enable a declaration under the Act to be made at the place of printing where the place of printing and publishing a paper differed, or at the place of residence of the printer or publisher, and to enable the declaration to be made through an authorised representative.

The Home Member was then given leave to introduce his Bill.

*Trial of Europeans.*

Mr. Samarth moved his resolution about the removal of racial distinctions between the European British subjects and Indians in the eyes of Indian Criminal laws on the matter of the mode of trial, the audience to be passed, and the right of appeal. Mr. Samarth, after requesting the government for the allotment of a Government day thus showing its solicitude to try to arrive at a satisfactory solution, appealed to both the Indian and European members to avoid all unnecessary heat being imported into the discussion of the question and to contribute now to arrive at an understanding by the mutual good-will (cries of hear, hear)



from European members.) Thus, said Mr. Samarth, the first part of his resolution wanted to put right a matter which almost fifty years ago the Government itself recognised as just by giving equal status to both European and Indian members of the Indian Civil Service. The times now were too spacious to allow these invidious distinctions to continue. Mr. Samarth referred to the several anomalies which the existing system necessarily involved. For instance, an Additional Sessions Judge, if he happened to be an Indian, could not try a European although he could hear an appeal of his case against the order of a subordinate Court. Then again, the Sessions Judge and District Magistrates were restricted in the matter of the period of punishment of a European. The result was that even if a trying Judge considered that an accused deserved severe sentence beyond his competence he would naturally rather pass a mild sentence allowed to him by the law than send the case up to the High Court. The second part of the resolution, said the speaker, was comprehensive inasmuch as it required that effect be given to the interpretation of the Court of Directors in 1833 that Europeans be made amenable to the ordinary tribunals of the country both in civil and criminal cases except in the case of sentence of death as provided by the Government of India Act 1919, which provision, in fact, had been enacted and re-enacted since the days of the East India Company.

Sir William Vincent moved the following amendment to Mr. Samarth's resolution :—That, for sub-clauses A and B of the resolution, the following be substituted, namely, that a committee be appointed to consider as to what amendments should be made in those provisions of Cr. P. Code 1898, which differentiate between Indians and European British subjects, Americans, and Europeans who are not British subjects, in criminal trials and proceedings, and to report on the best methods of giving effect to their proposals.

Mr. Rangachari moved an amendment to the Home Member's amendment. After a good deal of discussion the House passed the Home Member's motion as amended by Mr. Rangachari in place of Mr. Samarth's original motion.

The motion as passed finally reads as follows :—That, in order to remove finally all racial distinctions between Indians and Europeans in the matter of their trial and punishment for offences, a committee be appointed to consider what amendments should be made in the provisions of the Code of Criminal Procedure 1898 which differentiate between Indian and European British subjects, Americans, and Europeans who are not British subjects in criminal trials and proceedings and to report on the best methods of giving effect to their proposals,



## The Council of State

*SIMLA—15TH SEPTEMBER 1921*

After interpellations Lala Sukhbir Sinha moved that the Provincial Governments be asked to take the necessary steps for introducing religious and moral education in all aided and Government schools and colleges. As this was opposed by a majority of members, the resolution was withdrawn.

Syed Raza Ali requested that his resolution for the removal of the highly centralised system of administration be postponed to the 17th instant. The Council agreed to this proposal.

Sir Maneckjee Dadabhoy moved "that this Council be authorised, if necessary by statute, to receive from the public petitions on all matters relating to public wrong, grievance or disability or to any act or acts of public servants or to public policy, to investigate that complaint and make a report to this Council, and that a Committee be constituted on public petitions with powers to examine witnesses and record evidence." He wanted to endow the Council with Parliamentary traditions which were bound to come sooner or later, sooner he hoped rather than later. He reviewed the position of the Council and argued that people had more confidence in the Central Legislature than in the Executive, and expressed that the members could be expected to use their power with discretion. For some time past there had been several committees appointed, consisting of non-official gentlemen, to inquire into disturbances and disorders side by side with the committee appointed by the Government, and in almost every case it had been found that the people believed more the reports of the non-official committees than those of the official committees. This fact contributed a great deal to the present discontent, and if a committee, as suggested in his resolution, was formed much of the discontent would be removed.

Mr. Craik, replying on behalf of the Government, acknowledged the moderation of Sir M. B. Dadabhoy's language and sympathised greatly with his wishes to create a Parliamentary tradition and to increase confidence of the public in the legislature. But the resolution raised several difficult questions of constitution and involved formulation of rules of procedure by which petitions should be presented. The right of petitioning the Crown and Parliament was acknowledged to be the fundamental principle of the British constitution and it was exercised from very early times when legislative and judicial functions were combined in Parliament. But at a later stage it was found that petitions for private bills began



to increase abnormally with the result that an early date of Parliament was allotted for presentation to it of private bills etc. But no debate was allowed on these petitions and in 99 cases out of 100 nothing happened and further, the Parliamentary Committee never made investigations in the practice. The right of petitioning Parliament was largely obsolete with one or two exceptions, particularly petitions for private bills and petitions on general matters of public policy. For example, the monster petition on Woman Suffrage Bill presented to Parliament was withdrawn and no action was taken. These petitions might have had a certain amount of influence on the course of the Bill relating to the subject matter of the petition, otherwise it had practically no effect whatever. The present constitutional procedure of pressing popular grievances on Government was by asking questions, moving resolutions and moving for adjournment. The practice in the Madras legislature was that petitions were received only on matters under consideration by the House. This practice could be extended without objection but no petitions on miscellaneous subjects could be received because it would encroach on the powers of the local Government and local legislature. The whole question was very important and could be fully considered only by a small expert committee and not in the full House in the course of a single debate. Government were therefore prepared to the appointment of a small committee if the House so desired.

Sir Maneckjee Dadabhoj summing up the debate said his object was to break the ice and open the debate with a view to securing to the people of this country greater liberty. He accepted readily the undertaking given by Mr. Craik and asked for the appointment of constitutional lawyers and retired High Court Judges among the members of the Committee.

The resolution was with permission withdrawn.

### *SIMLA—17TH SEPTEMBER 1921*

#### **Rhodes Scholarship Fund**

On the 17th. Mr. Sethna moved his resolution recommending the transfer to India of the German portion of the Rhodes Scholarship Fund. Rhodes Scholarship settlement was one of the greatest benefactions by any philanthropist made at the beginning of this century. Dr. Cecil Rhodes while alive had conceived the idea that the closer consolidation of the British Empire into an organic whole was an object of supreme political importance. When he died in 1902 he left a great portion of his fortune for scholarships for capable young men from the different Colonies and the United



States of America to prosecute their studies at Oxford as this would, he thought, instill into the minds of scholars from the Colonies the breadth of view, instruction in life and manners, and the advantages of unification of the British Empire. Dr. Rhodes used to emphasise that when a man accepted citizenship of the British Empire there was no distinction between races. Dr. Rhodes had also left five scholarships for the Germans to further his idea of a closer affinity between Anglo-Saxon races, but since the beginning of the war these scholarships have been discontinued. If these scholarships were now allocated to India or, failing which, some new scholarships for India were created, that step would certainly be furthering the donor's intention and purpose. The trustees, who had a free hand in the Rhodes settlement, were statesmen like Lord Grey and Lord Milner, and Mr. Sethna hoped this opportunity would not be lost and that scholarships would be allocated to India now when there was greater necessity than ever for closer understanding between British and Indians. He hoped the Indian Student's Committee would also take up this matter.

On the 19th. after questions Sir Maneckjee Dadabhoi asked for leave to move for an adjournment of the House to consider the arrest of the Ali Brothers and others and the policy of the Government in the matter of political arrests of this nature.

Mr. Bhurgri pointed out that the cases of the Ali Brothers and the others were "sub-judice", and asked if in the circumstances leave to move the House for an adjournment was in order.

Mr. Craik replied that the Government of Bombay had decided to prosecute seven persons in all under Sections 120, 131 (B) and 505 of the Indian Penal Code. The prosecution had been launched in respect of support given by those persons to a resolution passed at the Karachi Khilafat Conference.

The President—Order, Order. The question is if these persons had been arrested by an order of the Magistrate that is in the ordinary process of law or by any special Act.

The Hon. Mr. Craik said :—Four persons have been arrested, namely, Messrs. Mahomed Ali, Shaukat Ali, Dr. Kitchlew and Pir Gohar Mujadid. The fifth is already in jail on another charge. Mr. Mahomed Ali was arrested by an order of the Government of Madras under the Security Section of the Criminal Procedure Code and was detained at the place where he was arrested pending the arrival of a police official who held a warrant for his arrest issued by the Magistrate of Karachi. That police officer has now arrived and consequently Mr. Mahomed Ali was taken in custody. Dr.



Kitchlew was arrested in Simla on a warrant from the Magistrate of Karachi. Mr. Shaukat Ali was arrested in Bombay presumably also by the Magistrate of Karachi. There is, therefore, no question of exercising any executive action and the prosecution is not under the Defence of India Act, Regulation III, or any other special Act.

The President : The point was whether the arrests have been made in the ordinary course of law. I understand from the Hon. Member that it is so.

Sir Maneckjee Dadabhoj : Now it is perfectly clear that the arrests are under the ordinary law. I would not therefore press my motion and I beg to withdraw it.

Mr. Craik, the Home Secretary, moved a resolution 'recommending to the Legislative Assembly that a Bill further to amend the Criminal Procedure Code and the Court Fees Act be referred to a Joint Committee of this Council and of the Legislative Assembly and that the Joint Committee do consist of twelve members' The motion was agreed to without discussion.

Mr. Craik next moved for the consideration of a bill to provide that when firearms are used for the purpose of dispersing an assembly, a preliminary warning shall in certain circumstances be given. He said that it was impossible to define in a Bill what warning should be given in all cases and in all circumstances, because there might be circumstances when it would be physically impossible for the officer to give warning. The Bill was intended to give legislative sanction to what was till then an executive order. Mr. Raza Ali said that if the spirit of the executive order had been kept up, the new bill would have been unnecessary. The Raja of Dighapatia moved an amendment to insert the words "reasonable notice" which was lost. The Bill was then passed.

The Cattle Trespass Act Amendment Bill was passed without a discussion.

Mr. Craik next introduced a Bill further to amend the Criminal Procedure Code by providing for the issue, by courts in British India, of Commissions for the examination of witnesses to such courts of the Princes and Chiefs in India as are notified in this behalf and for execution by courts in British India of commissions issued by such courts.

## The Legislative Assembly

The Assembly met again on the 19th for official business. A long string of questions were answered. The Carriers' Act Amendment Bill was passed and also a bill to provide for the levy of customs duty on exported lac. Mr. Hailey then introduced the



Incom Tax Amendment Bill. Dr. Gour introduced his Contract Act Amendment Bill which met slight opposition but was accepted by the majority.

On the Legislative Assembly meeting on the 20th, Dr. Gour referred in very feeling terms to the sad and untimely death of Raja Shivanandan Prasad of Monghyr and moved that 'this Assembly places on record its appreciation of the public services the deceased had rendered and that the President be requested to convey to the family of the deceased the sympathy and condolence of the Assembly.' The resolution was put and carried, all standing in silence.

#### Ali Brothers' Arrest.

After questions, which included a long series of enquiries regarding Dr. Gour's Civil Marriage Bill which were answered, the President announced the receipt of a notice from Mr. Kabiruddin Ahmed asking for leave to move for an adjournment of the House to discuss the arrests of certain leaders of the non-co-operation movement.

Sir William Vincent explained the circumstances under which and the offences for which Messrs. Mahomed Ali and Shaukat Ali and others were arrested, and as the cases were "sub-judice" asked the President if a discussion at that juncture was in order. The President read out the provisions of Rule 23 and after pointing out that the cases were under adjudication asked Mr. Kabiruddin Ahmed if he had any representation to make. Mr. Ahmed said that he had nothing to do with a matter which was "sub-judice."

Mr. Rangachari moved that the bill to amend the Transfer of Property Act be referred to a Select Committee. In doing so Mr. Rangachari explained the necessity of the amendment in a law by detailing the statement of objects and reasons and observed that opinions varied so much in the matter that it was better that the whole question were considered by a Select Committee. After a good deal of discussion in course of which the President's ruling was invoked to interpret the rule of the House as to the effect of sending a Bill to Select Committee, Mr. Rangachari's motion was put and negatived.

Dr. Gour moved that his Bill to prescribe a registered instrument as necessary for a valid adoption be circulated for the purpose of eliciting public opinion thereon. This too was the subject matter of a long debate, the opposition being lead by Dr. Sapru on behalf of Government with many non-official supporters. Eventually Dr. Gour's motion was put and negatived.



## Putting Down Corruption

Mr. Venkatapathi Raju moved for the appointment of a Joint Committee of officials and non-officials to enquire into and report upon the best means of preserving the purity of administration in the various departments of the Government by putting down corruption, if any. He said the purity of administration was the basis of every good government and there was no use hiding the truth that there was corruption. There was no justification for Government officials to supplement their salaries by illegitimate means such as accepting presents or engaging themselves in trade because of late there had been revision and re-revision of their salaries. In the railways, corruption had become a sort of systematic blackmailing in the matter of wagon-supply and sometimes ninety per-cent of goods were lost in transit. In the Public Works Department there was a good deal of unnecessary waste, and the danger was that they entirely left this waste in the hands of experts whose judgments they could not dispute. A building which really cost fifty thousand cost a lakh of rupees and the balance was a loss to the poor tax payer. This disease of corruption was contagious and it existed in almost all departments. The Punjab Government had already begun to tackle this evil by an enquiry into the methods which facilitate corruption and the Government of India should follow that example.

Mr. Bryan moved an amendment to the effect that instead of enquiry into the various departments of the Government the enquiry be confined to the railway department, and in too loud a voice urged acceptance of his amendment because corruption was on a very great scale in the Railway department and quoted the admissions of Sir George Barnes and others in support of his statement. His amendment reduced the whole matter to manageable proportions and it was better to deal with one department at a time than making a mess of the whole.

Dr. Nandalal remarked with great emphasis that all public servants including even some District Magistrates and Judges took bribes (cries of "no" "no"). Steps must, therefore, be taken to put an end to this corruption in all Government departments.

Mr. Bryant eventually withdrew his amendment.

Sir William Vincent replying assured the House that the Government was more anxious than the Assembly to see that corruption in the Government departments ceased, but the proposal for a roving commission to enquire into all departments, both Central and Provincial, was the worst remedy that could be proposed for the evil. Moreover, the departments concerned were then all under the provincial control and it would be most inadvisable to



dictate to the Local Government in matters which concerned them solely. Moreover, the Punjab Government had already appointed a Committee to report on the corruption while the United Provinces Council had deliberately refused to refer the matter to a Committee. For a successful and complete eradication of corruption what was needed was the ripening of public opinion which should not any more countenance the state of corruption.

Mr. Rangachari, while bearing evidence to the fact that every year corruption was decreasing, asked the Government to give a definite undertaking that instructions would be issued to all departments pointing out the necessity of taking serious steps to put an end to all corruption. Sir William Vincent readily agreed to undertake to issue a circular letter as desired by Mr. Rangachari and said that the Government of India would also invite the opinions of the Local Governments as to the need for any change in the existing law. The Government would emphasise to all heads of departments of the Government of India the necessity for greater vigilance over their subordinates. After this undertaking from Government Mr. Venkatapatiraju withdrew his motion.

#### Separation of Judicial and Executive Functions

Rai Bahadur T. P. Mukherjee moved that Judicial and Executive Functions should be separated and steps taken to appoint a committee consisting of officials and non-officials for preparing a scheme for the purpose at an early date.

Dr. Nandlal characterised the combination of Judicial and Executive functions as a remnant of medieval times. It was indeed an anomaly that a District Magistrate who issued orders to prosecute certain accused persons should himself preside over their cases on appeal.

Mr. Bishambar Nath and Lala Girdhari lal Agarwala gave further support to the resolution, the latter suggesting that the proposed Committee should frame a scheme within one year.

Mr. J. Choudhuri moved an amendment to the effect that all Provincial Governments be asked to submit schemes for the separation in their respective provinces in consultation with the Provincial Legislative Councils and the schemes when received be submitted to a committee consisting of the members of the Indian Legislature composed of two-thirds of non-official and one-third of official members to consider and recommend measures necessary for effecting such separation.

Sir William Vincent assured the House that when the proposals of the Local Governments were received the Government of India would appoint a committee but he definitely declared that the



Government of India would offer to no Local Government any pecuniary help to effect such a separation.

Mr. Chaudhuri then withdrew his amendment.

Mr. Kabiruddin Ahmed moved an amendment that Judicial and Executive functions should be altogether separate. This was lost. The original resolution was then put and was pressed to a division. At this stage Mr. Rangachari suggested that the first part of the resolution containing the principle of separation of Judicial and Executive functions be put to the vote first. The President ruled it out of order as coming too late. The original resolution was again pressed to a division and carried, forty-six voting for and thirty-five against it.

After Mr. Mukerjee's resolution on the separation of Judicial and Executive Functions was carried amidst loud non-official applause, the question arose as to whether Mr. Jadunath Majumdar should be allowed to move the next resolution on the agenda regarding further grant of constitutional reforms both in the Central and Provincial Governments. The President pointed out that in spite of representations made to him he could not according to rules allow the discussion at such a late hour because the discussion on this important resolution which had so many amendments could not be finished that night. Several members suggested that in view of the great importance of the matter the President should exercise his discretion and following the precedence set up in Delhi about Mr. Price's resolution on the expedition of Assembly business, allow Mr. Mazumdar to formally move the resolution that evening adjourning the discussion thereon till next day. Sir William Vincent promised that he would do his best to see if the Government could give an opportunity to Mr. Mazumdar on an official day.

On Sept. 21st. after question time Sir J. Jeejeebhoy was elected as the Deputy President in place of the Hon. Mr. S. Sinha resigned. There was a tie between him and Dr. Gour, all the officials voting for the former. The president gave his casting vote in favour of Sir Jamshejee.

Mr. Anna Babajee Latthi then moved for the reconstitution of the Provinces of India in consultation with the various Local Governments with a view to facilitating the constitutional development of the provinces. He referred to complaints raised during the last few years for the reconstitution of the provinces on a linguistic and geographical basis and illustrated the cases of Kanara, Orissa, Sind, etc.

Mr. J. C. Nag referred to the amalgamation of Sylhet with Assam and urged for its re-amalgamation with Bengal. He moved an amendment to the effect that the re-distribution should be under-



taken after ascertaining the wishes of the people of the areas primarily concerned through the various Local Governments. This was put and carried. The discussion then turned on the principle of the resolution, namely, whether reconstitution of the Provinces was necessary. It was lost by a majority of votes.

#### N. W. F. Province Administration.

Sir Sivaswamy Iyer moved that the power of control and superintendence over the Judicial administration of N. W. F. Province be transferred to the Punjab High Court and that a Committee be appointed including a certain number of elected members of the Indian Legislature for the purpose of reporting whether separation of the administered districts of the North-West Frontier Province from the Punjab province has fulfilled the expectations of the Government of India from the political, military or financial point of view, or has been attended with any substantial advantage to internal administration and whether it is expedient to re-amalgamate the said district with the Punjab Province leaving under the direct control of the Government of India the political administration of the unadministered tracts on the British side of the Durand.

Sir Sivaswamy Iyer, in the course of a long, exhaustive and impressive speech which was full of facts and figures taken from official records, surveyed the administration of North-West Frontier Province during the last twenty years of its separation. He hoped that Government would not allow any false prestige to stand in the way of redressing the state of things which could only be described as a scandal (applause). Dr. Nandalal supported the resolution.

Dr. Sapru in the course of an elaborate reply challenged the scathing condemnation made by Sir Sivaswamy Iyer of the Frontier administration. The speaker, however, offered that the Government would make its own enquiry by consulting the Punjab Government and the Chief Commissioner and the Judicial Commissioner, North-West Frontier province, if they had any suggestions to make regarding the transference of Judicial administration of the Frontier to the Punjab High Court. Beyond this the Government could not go. But he expressed Government's readiness to discuss in a round table conference any matter which any member proposed to discuss with the Foreign department. The resolution was then put to the vote in two parts separately and both parts were carried by a majority.

#### Supplementary Grants

The Assembly met next day, the 22nd September, to vote Supplementary grants under 35 heads, the demand under all heads amounting collectively to Rs.3,43,32000.



Mr. Hailey, Finance Member, in a general review of the financial position with regard to supplementary grant said that although collectively the supplementary grants were a high figure the House would analyse every particular item and the necessity for it as explained in a short memorandum supplied to all of them. In fact the budget for the year and the possibility or otherwise of further taxation would depend very largely on the Assembly's votes in respect of the supplementary grants. So far the receipts were up to his anticipations although there was some considerable fall in customs receipts than had been forecasted. But everything depended upon the course of events of the next few months. Although his department possessed such great experts whose estimates could defy any amount of strict scrutiny, the Finance Member emphasised that he had been working in a spirit of fairness, absolutely confident that when subsequently necessity for supplementary grants arose the Assembly would honestly and fairly grant them on the merits of each case. The demands under several heads, he added, were due to inevitable increases in the pay of Ministerial Establishments and wages of labour. Concluding, the Finance Member remarked that every item of the grants had been placed before and been approved by the Standing Finance Committee of the House. He paid a great compliment to the spirit of responsibility with which this Committee had discharged its duty (applause).

The Assembly granted without discussion most of the demands made while a few raised a storm of protest. One such was the demand of Rs. 2 lakhs for enabling the Indian Students Committee then working in England under the presidency of Lord Lytton to visit India. Mr. Samarth led the opposition. He said that no useful purpose was to be served by the Committee visiting India in a question upon which the Sadler Committee had already reported. The Committee would only come to spend some months and enjoy at India's expense.

Mr. Shahani : Also tiger shooting (laughter).

Dr. Gour pointed out that the committee had already visited Oxford, Cambridge and other places in England and interviewed Indian students there, but the necessity of migration of the committee from Europe to Asia had not been justified.

Sir Sivaswamy Iyer suggested that instead of the Committee visiting India for no useful purpose it could better be asked to visit the United States, Germany or Japan to enquire how far educational facilities existed there for Indian students. The English people ought not to be insular and presume all knowledge was to be sought within the four corners of England.

After a long and lively debate the motion for the deletion of



the full grant of two lakhs for the Committee was put and carried by 46 to 37 votes. With this exception the Assembly granted all demands amounting to Rs. 341,32,000.

**Mr. Majumdar's Early "Swaraj" Resolution**

An important debate was inaugurated in the afternoon when Rai Bahadur Jadunath Mazumdar moved amidst applause his resolution that the Governor-General in Council may be pleased to move the Secretary of State for India in Council to take the necessary steps for ensuring the transfer from the beginning of the next Legislative Councils, of all provincial subjects to the administration of the Governor acting with Ministers, the transfer from the beginning of the next Legislative Assembly from among central subjects all subjects except the Army, Navy, Foreign and Political departments to the administration of the Governor-General acting with Ministers ; provision being made for such constitutional changes as may be necessary in that behalf on the lines of provision for the administration of transferred subjects of local Government, and the conferment from the beginning of the fourth term of the Legislative Assembly of full Dominion self-government in India.

Mr. Mazumdar said there was a general demand over the whole of the country that India should be granted full Dominion status. The British people were friendly to this aspiration, but there was difference about the means to achieve that end. All must recognise that a prosperous British Commonwealth depended upon free and contented India. He deplored that not in a single proclamation, not even in the Government of India Act, was a definite period laid down as to when full autonomy would dawn upon India. What guarantee was there that the Commission to sit after 10 years would be the first and last of its kind, and that it would not be the forerunner of Commissions ad infinitum ? Continuing Mr. Mazumdar said : I say to our British brethren, "We have made up our mind to get Swaraj. It will be to your glory and to your privilege to help us in winning it, and if you have really made up your mind, please no longer stand between us and the goal of our evolution "

A very lively debate then began and the whole house warmed up to the discussion when Sir William Vincent rose and moved that in view of the fact that the debate would be very prolonged and that every day the Assembly was sitting very late in the evening the debate be adjourned till September 29 on which day, after legislative business, the remaining discussion would be taken up.

**The Council of State**

*SIMLA—22-24 SEPTEMBER 1921*

On the Council meeting on the 22nd. for non-official business



Sirdar Jogendra Singh moved :—"This Council recommends to the Governor-General in Council that in so far as the recommendations contained in the report of the Sugar Committee suggest action by the Central Government, such action be not delayed by previous consultation with the Local Governments, that effect be given to the recommendations contained in the report of the Sugar Committee as early as possible, and that the Government should Foster the Industry by providing compact blocks of land for sugarcane plantations in all districts where 50,000 acres is already under cane, by providing compact blocks from waste forest lands etc., in suitable localities and by the guarantee of interest on the capital raised either in India or in England or in both for the establishment of sugar factories."

A number of amendments were proposed and several speakers opposed the resolution as it treated of a matter which came under the Provincial transferred list. The resolution was amended and finally carried as follows :—"That in so far as the recommendations contained in the report of the Sugar Committee suggest action by the Central Government, such action be not delayed, and that as far as possible effect be given to the recommendations of the Sugar Committee's report as early as possible and that the Government should foster the Sugar industry."

#### Indians in East Africa

Mr. Lalubhai Samaldas moved that "all necessary steps be immediately taken to secure effect being given to the policy of equality of status for Indians in East African colonies and protectorates in every respect as laid down in the Government of India's despatch on the subject."

After giving the history of India's trade with South Africa in early days, the preferential treatment to White settlers there, the gradual change of official attitude, specially mentioned in the Milner despatch and the Indian agitation, he said that the Indians, however, continued their agitation and the Europeans were now enlisting the support of the South African Dominion and of General Smutts. They raised the cry of segregation on the ground that their contact with Indians would lead to their morality being spoiled. Indians, it must be remembered, had a clean sheet as regards land grabbing and their morals could stand comparison with any race in the world. Indians were asking nothing more than mere equality of status when they asked for the franchise of a common electoral roll, the right of acquiring land in open competition, including the so-called highlands, and the right to live in any part of the town. He, therefore, appealed to British friends in the Council and to non official Englishmen outside to do their level best to remove all misunder-



standings. Unless there was equality of status the present strain on India's loyalty would reach the breaking point. Equality of rights was recognised by the Imperial Conference and the Government of India must make a spirited move in securing it to Indians in the Colonies.

The Council of State met again next day, the 23rd September, when the discussion was taken up on Mr. Lalubhai Samaldas's resolution.

Mr. Sarma speaking on behalf of the Government accepted the resolution and said that the Government would abide by their despatch and that negotiations were proceeding with the Home Government for the equality of status of Europeans and Indians in East Africa and there was every reason to hope that a satisfactory solution would be arrived at and an announcement made thereon. The Govt. had been preventing as far as possible friction and racial jealousy between the component parts of the Empire. It had been expressly understood that in so far as British Indians had lawfully migrated to any part of the Empire they should be treated perfectly on equal terms with the rest of His Majesty's subjects. This principle had been re-enunciated and accepted at the recent Imperial Conference. The resolution was then passed.

Dr. Ganga Nath Jha moved that the time had now arrived for securing by legislation the use of a uniform system of weights and measures throughout British India.

Mr. H. P. Lindsay, Industries Secretary, agreed with the general principle of the resolution and detailed the difficulties of adopting a uniform system. The Government, he said, should proceed with the question slowly and cautiously, rather than attempting to effect an immediate transformation. It should be left to the Local Govt. to take such measures as to introduce a standard weight, but as regards the question of measures this should be left entirely out of consideration at present. He moved an amendment to the effect that the Government of India should declare themselves in favour of the ultimate adoption in India excluding Burma of a uniform system of weights based on the scale now in use on the railways. This was carried.

The Council met again on the 24th with a meagre attendance.

Mr. Kale had in his name a resolution for an early opportunity to be taken to safeguard the rights and liberties of Indians in Kenya Colony and in South Africa and to communicate their views to the Secretary of State for being pressed on His Majesty's Government and the Government of the Union of South Africa. But in view of the previous day's discussion on Mr. Lalubhai Samaldas' motion Mr.



Kale amended his resolution to the effect that early steps be taken to secure equal status for Indians in South Africa.

Mr. Sarma on behalf of Government expressed his sympathy with the motion, but urged that the fact that two ordinances, which would have still further endangered the position of Indians, had been disallowed by the South African authorities showed that there was no cause for alarm and that the Union Government would not succumb to racial prejudices. He asked the House to remember that when excitement prevailed and racial bitterness was at its height both logic and reason were at a discount and that the need was not for making this atmosphere worse but for calming it by removing misapprehensions. For instance, the misunderstanding that the great influx of Asiatics would destroy the interests of the South African was entirely wrong. The Asiatic Enquiry Commission had made this clear that there was no danger from the influx of Asiatics. The Government of India for its own part should try to see that both the educational and economical interests of Indians in South Africa were advanced so as to impress upon South Africans the fact that Indians were as good as they themselves, and that if treated well they would be an ornament to that country. The Government of India would shortly announce its views on the report of the Asiatic Enquiry Commission.

The resolution as amended by the mover was then carried.

Sayed Raza Ali moved for the removal of the highly centralised system of administration that obtained in this country under which many classes of officials, especially District Magistrates and Collectors, had vast powers.

This was lost, only the mover voting for it.

### The Legislative Assembly

*SIMLA—23RD. SEPTEMBER 1921.*

The Assembly met on the 23rd. for official business. On the motion of Sir William Vincent the Maintenance Order Bill, the Cr. Pr. Code Amend. Bill, the Indian Penal Code Amend. Bill were passed. Next, the Indian Limitation Act Amend. Bill was recommended to a select committee. Mr. Hailey moved that a Bill to consolidate and amend the Law relating to income tax and super tax be referred to a joint committee of both Houses. This was put and agreed to.

Sir Vithaldas Thackersay moved that 'the High Commissioner for India in London be instructed by the Government of India to buy ordinarily stores required for India in the cheapest market consistently with quality and delivery, and every case where this rule has not been followed should be communicated to the Government of India



with full reasons for information of the Legislative Assembly that when placing large orders the High Commissioner should insist that contracting parties if required shall give every facility for admitting as apprentices in their works Indian students to acquire practical knowledge of manufactures. The first part of this resolution was put and carried unanimously.

Mr. S. C. Shahani moved that the capital needed for the construction of Sukkur Barrage be raised without any further delay. The resolution was carried.

## The Legislative Assembly.

*SIMLA—25TH SEPTEMBER 1921.*

The Legislative Assembly re-assembled on the 26th.

Sir William Vincent moved, "That the Assembly do agree to a Joint Committee of twelve members of both the Chambers on the Bill further to amend the Code of Criminal Procedure of 1899, and the Court Fees Act of 1870." The Home Member said that he was sure that the Assembly had now had sufficient time since the last Delhi Session to consider the Bill and that the motion for a Joint Committee, which was rejected in Delhi, would now be agreeable to the House. The motion was put and agreed to.

Mr. Seshagiri Iyer introduced his bill to amend the Hindu Law of inheritance. The main clause of the bill provides that the estate of a Hindu not held in coparcenary shall in the absence of heirs down to brother's grandson be inherited in certain order mentioned by him. Mr. Seshagiri Iyer said that his bill was quite harmless and only wanted to extend the order of inheritance to certain very near relations of the deceased person. The proposed law would only extend to the Provinces of Madras and United Provinces.

Sir William Vincent's motion to refer the Press Bill giving effect to the recommendations of the Press Act Committee to a Select Committee was agreed to. The House then agreed to the postponement of the consideration of the bill requiring warning before firearms were used.

Next the Cattle Trespass Act Amendment Bill, giving the Local Governments greater elasticity in the administration of fines under this Act, was passed without amendment.

Mr. Hulla moved that the Bill to amend the Land Acquisition Act be further considered. This bill provides that the appeal to an award of the High Court shall not be taken to the Privy Council unless the amount in dispute is Rs. 10,000 or upwards and the appeal involves some substantial question of law. Sir



Sivaswamy Iyer moved an amendment that appeals to the Privy Council shall be subject to the same limitations which exist in Section 110 of the Code of Civil Procedure and in its order 45 with regard to the decrees of the High Court. The bill so amended by Sir Sivaswamy's motion was passed.

Mr. Abul Kassem moved for the introduction of a Bill to provide for the registration of the Waqf Estates and proper rendering of accounts by the Mutwallis of such estates in British India.

Mr. Innes then moved six resolutions regarding the recommendations of the International Labour Conference at Geneva. The signatories of these recommendations included the Govt. of India representative to the Geneva Conference and yet the resolutions moved and passed purported to negative some of the recommendations of the Geneva Conference especially with regard to the age limit of sea-men, limitation of hours in the fishing industry, unemployment indemnity in the case of loss of a ship at sea and other matters affecting sea-men or Indian Lascars.

### The Council of State.

The Upper House also met on the 26th. After questions, the Hon. Mr. Cook moved for the acceptance of the recommendation of the Assembly that the Bill to consolidate and amend the law relating to income tax and super-tax be referred to a Joint Committee of both Houses consisting of sixteen members. In urging the Council to accept this motion Mr. Cook said that the Bill was the result of the report of the Committee on income tax which was published last July. The motion was carried.

Mr. Craik moved for the consideration of the bill further to amend the Criminal Procedure Code of 1898 by providing for the issue of courts in British India of commissions for the examination of witnesses to such courts of Princes and Chiefs in India as are notified in this behalf and for execution by courts in British India of commissions issued by such courts. The bill was passed without discussion.

On the motion of H. E. the Commander in Chief the Indian Marine Amendment Bill was passed without discussion. Similarly was passed the Works of Defence Act Amendment Bill.

Syed Raza Ali moved a resolution recommending to the Governor General in Council to initiate a policy of appointing Indians to the offices of Secretary, Joint Secretary and Deputy Secretary in the Army, Marine, Education, Foreign, Political and Public Works Departments of the Govt. of India. Mr. Craik moved an amendment to the effect that Indians should be given opportunities



for becoming qualified for the appointments mentioned by Syed Ali. The amendment was then carried.

Mr. Sethna moved that a representation be made to the Secretary of State that the administration of Aden be continued under the Government of India and not transferred to the Colonial Office. The resolution was carried.

Mr. Lallubhai Samaldas moved that instructions be sent to the High Commissioner in England that at the time of placing orders for materials required in India by Government he should put them in the cheapest market for materials of the same quality.

Next day, Sept. 27th., the Council met to formally pass some of the bills already passed by the Assembly. These were the Maintenance Orders bill, the Negotiable Instruments bill, the Lac Customs bill, the Post Office Act Amendment bill and the Penal Code Amendment bill. The six resolutions about seamen adopted by the Geneva Conference as passed by the Assembly were also passed.

## **The Legislative Assembly.**

*SIMLA—27TH SEPTEMBER 1921*

On the Assembly meeting on the 27th for non-official business, Mr. Lathe moved that his private bill proposing to do away with the right of the "Watandar" (Hindu priests) to force through law courts Hindu non-Brahmins to pay for their service which the non-Brahmins neither desired nor utilised be referred to a Select Committee. This was agreed to.

### **Anti-Drink Movement**

Mr. Beohar Raghubir Sinha moved that the expression of opinion that the Assembly declared its sympathy with the Anti-Drink Movement in India be conveyed to the local Governments, with the request that they may consider the advisability of adopting measures to put a stop to the drink evil as soon as possible. Bakshi Sohanlal suggested an amendment to the resolution so as to enforce prohibition by an Act of the Indian Legislature. The President pointed out that this amendment was not quite in order in as much as it was not within the competence of the Indian Legislature to pass an act of the nature proposed. Mr. C. K. Innes said that if the resolution was amended so as to simply express the sympathy of the Assembly towards the temperance movement the Government would not oppose it. Mr. Innes' amendment was carried.

### **Indians in High Posts**

Lala Girdhari Lal Agarwalla moved a resolution recommending the desirability of equalising the number of Indian and Europeans



in the following posts by filling future temporary or permanent vacancies by Indians till the deficiency has been made up, viz. (1) Governors of Provinces, (2) Chief Justices or other heads of the highest judicial courts in India, and (3) High Court Judges or Judges of other highest courts in India, and that a copy of this resolution be submitted to the Home Government with favourable recommendations.

Some of the Indian members spoke in favour of the motion while Sir William Vincent opposed it on the ground that those posts were filled by the Royal Sign Manual.

Dr. Gour took a strong exception to Sir William Vincent's statement that the appointments of Chief Justice and Judges were made only by the King. The King only signed the Royal Manual as a matter of course, while in fact the appointments were made by the Government of India and by the local Governments.

Dr. Gour said even Lord Morley in his "Recollections" had pointed out that he got a particular person appointed Governor although the King himself wanted some one else. It was thus within the competence of the Assembly to ask the Government of India to keep the House's desire in view for future appointments and to forward that desire to the Home Government. He further asked why should the foreign articles in the shape of Chief Justices be imported when articles of the same value, if not better, were available locally. Moreover, the imported Chief Justice did not understand local customs.

Sir William Vincent opposed both the resolution and the amendment. Dr. Sapru thought that interests of law and justice would not be safe for some time to come if services of English barristers were entirely dispensed with. The resolution was lost, 35 voting for and 47 against it.

#### The British Medical Council's Threat

Next day, Sept. 28th, Rai Bahadur C. S. Subrahmanyam moved that "This Assembly recommends to the Governor-General in Council: (A) that with reference to the letter of March 9th 1921, from the General Council of the Medical Education and Registration of the United Kingdom to the Secretary of State for India on the subject of the recognition of medical diplomas of the Indian Universities, the various local Governments be advised to make more satisfactory arrangements for giving practical training in midwifery to the students undergoing instruction for Medical degrees and diploma in their provinces, (B) so that in the event of the General Medical Council carrying on their threat to withhold recognition to the Medical Degrees and Diplomas of the Indian



Universities, the Secretary of State for India be moved to stop recruiting in England for the Indian Medical Service and order recruitment exclusively from India or, at any rate, to prescribe the possession of a medical degree or a diploma of any Indian university hitherto recognised by the General Medical Council as an alternative qualification for admission to the competitive Examination for entrance into the Indian Medical Service." He made a lengthy speech characterising the order of the British Medical Council as an ultimatum and asked whether Indians were so hopeless in the matter of Medical knowledge that they should put up with such an insulting order.

There was a heated debate on the motion, the Indian members strongly resenting the insult inflicted on Indians by the British Medical Council.

Mr. Lakhmi Narayan moved an amendment to clause (A) to provide that Indian Universities should bring their Medical Education to the standard of the Universities in the United Kingdom.

Dr. Nandlal moved an amendment omitting the second clause of the main resolution as it was a threat, and to simply ask the Secretary of State to influence the Medical Council to re-consider their drastic decision.

Dr. Gour moved that the second clause of the bill be so amended as to provide that if the Medical Council did not allow India three years to bring her Universities up to the required standard in midwifery then the Secretary of State should stop recruitment in England for the Indian Medical service.

Col. Gidney speaking on the resolution said except in Madras there was no Medical University in India which came up to the level of the standard set up by the British Medical Council. Col. Gidney quoted statistics to show that the Bombay, Punjab and other Medical Universities had not come up to the required standard. These facts, he said, showed the disgraceful, scandalous and appalling state of affairs in training in midwifery in India reflecting the greatest discredit not only on the Local Govts. but also on the Govt. of India.

Mr. Shafi on behalf of Government deprecated the introduction of racial or political controversy but it was undeniable that the decision of the British Medical Council had caused widespread stir in this country and should it be carried out it would do incalculable injury to India and Indian Medical men. The first intimation of this decision of the Medical Council was received by the Government of India on the 9th May from the Secretary of State who, it was clear, realised the seriousness of such a decision. So far as the Government of India was concerned they had no



intimation whatever direct from the General Medical Council of their intended action. The procedure adopted by the Association was, to say the least of it, hardly courteous. Subsequently the Govt. of India in their cablegram to the Secretary of State stated that they were collecting authoritative information from Medical Associations and Local Governments as to where and how improvement was necessary in midwifery training, and that there had been no deterioration but rather improvement in the facilities provided for Indian students and that such facilities even in Great Britain had only recently undergone improvement. They also protested strongly against the short notice given for the withdrawal of recognition hoping that the Secretary of State would make representations to the Medical Council pointing out the undesirable political consequences resulting from the Council's action. In reply to this cablegram the Secretary of State assured the Government of India that he fully recognised their concern regarding the decision of the Medical Council but that the president of the Medical Council insisted on carrying out the terms of the resolution. The Government of India thereupon cabled for the postponement of the operation of the Council's decision.

Thus it would seem, said Mr. Shafi, that the Government as well as the Secretary of State had already taken all necessary *ad-interim* action in order to represent Indian views on what, it undoubtedly appeared, would result in disastrous effect but it was undeniable that the practical training in midwifery did not come up to the standard laid down by the British Medical Council. On this score it was perfectly reasonable, but it must be remembered that practical training in midwifery was disturbed during the war and began to be improved even in England only after the war.

Mr. Shafi then informed the House that the Government of India had replies received from all Local Governments and assured the House that they would make due representation to the Secretary of State. He, therefore, accepted the first part of the resolution as well as the amendments of Mr. Lakshmi Narayan Lal and Dr. Nandlal.

Mr. Subrahmanyam replying to the debate dissociated himself from the political and racial colour lent to the debate but he strongly objected to Indian Universities being told by the Medical Council that they must at once raise themselves to a required standard which they had not the means to do within the prescribed period. He was, however, glad that the Government of India had taken up an attitude which reflected exactly the opinion of the Assembly. For that reason he would withdraw the last clause of his resolution.

The resolution as thus amended was then passed.



**Other Resolutions**

Dr. Gour next moved that a Committee be appointed to inquire into the possibility of establishing the permanent capital of India in a place possessing a salubrious and temperate climate throughout the year. Dr. Gour apparently could not take Delhi as a 'settled fact.' His motion, however, was put and negatived by an overwhelming majority.

Mr. J. N. Mukherjee moved a resolution for the appointment of a Committee to enquire how best to improve the postal service and made a novel suggestion that collection of newspaper subscriptions, postal cheque accounts, payments of rates and taxes through post may be made, as in Switzerland ! This was lost.

**Racial Discrimination in Railways**

Mr. Hassanally moved 'that all railway administration in India be asked to abolish the system of reserving railway compartments for different communities (except ladies) unless they are fully paid for.' He said that he had brought forward this resolution because Colonel Waghorn had in course of a reply said that it was not proposed to remove the distinction between Indian and European reserved carriages. The Assembly was now to say whether it would agree to the continuance of that. Several cases had been decided by courts where Indians occupying the compartments reserved for Europeans were maltreated and humiliated. He asked why should a couple of Europeans and Anglo-Indians and also Indian Christians continue to occupy a big third class compartment when their brethren were struggling hard due to overcrowding ?

Colonel Waghorn said the reservation in the case of third class was being continued, not as a matter of racial discrimination, but in the interest of passengers themselves, so as to avoid any unpleasantness and ill feeling which might readily be created by some trifling incident ! He asked the Assembly to consider the question from a broad point of view. There was little doubt that in time to come the necessity for this reservation would disappear. A possible solution was that the reservation be eliminated gradually, that is to say, that reservation of a 3rd class compartment for Europeans and Anglo-Indians should be done away with on all slow trains and only retained for the present on mail or fast passenger trains. If the mover was prepared to accept this modification of his resolution the speaker would be glad to consult the railways accordingly with a view to the introduction of this measure and with this undertaking the mover would perhaps be prepared to withdraw his resolution. Mr. Hassanally, in view of the Government undertaking, withdrew his resolution.



*SIMLA—30TH SEPTEMBER 1921*

Great interest was evinced in the resolution moved by Mr. Hailey in the Assembly, when it met on the last day of the session, recommending to the Governor-General in Council that the contribution of sixty-three lakhs of rupees payable to the Governor-General in Council by the Government of Bengal under the Devolution Rules be waived for a period of three years with effect from 1922-23.

He made a lengthy statement explaining the financial difficulties of Bengal.

Mr. J. Chaudhuri said that Bengal was the biggest collector of central revenues. The province collected more than 34 crores of revenue, out of which it retained only about 10 crores. Madras collected 21 crores and retained 13 crores. Bombay collected over 31 crores and kept 14 crores; the Punjab collected 12 crores and kept 9·5 crores. Bengal should be shown special consideration. He warned the House that unless Bengal was helped, the Reforms would be a failure. The transferred departments, he said, had only budgeted for 67 lakhs, while the remaining revenue was consumed by the general administration.

Mr. Venkatapati Raju moved an amendment recommending that suitable help or a similar concession be given to Madras and other provinces where financial difficulties exist.

Mr. Raju's amendment was rejected and the original motion was passed. This closed the business of the Assembly for the Simla session.

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Proceedings of  
The Central Legislature  
1922

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# The Legislative Assembly 1922.

*DELHI—10TH JANUARY 1922.*

The first meeting of the winter session of the Legislative Assembly met on January 10th. 1922, much earlier than the previous year in order that the Assembly may meet and present an Address to His Royal Highness the Prince of Wales.

After mutual congratulations were exchanged on the Knight-hoods conferred on Sir F. Whyte, Sir M. Hailey and Sir M. M. Shafi, the President said that he had received notices from four or five members to move an adjournment of the House in order to discuss the political situation in the country. He considered them out of order on the ground that the object of the motion had been anticipated by resolutions of which notices had been given, and which would come up before long for discussion.

A long string of questions was asked about the famous Karachi trial but no information save the obvious facts was elicited from Government.

A question then arose about a motion by Mr. Iswar Saran to be moved next day recommending the abandonment of the repressive policy of Govt. Sir William Vincent wanted to rush the matter before the members had sufficient notice to prepare themselves for the debate. The sense of the House was, however, to postpone the discussion owing to the importance of the matter.

The House then proceeded to Legislative business. On the motion of Mr. Chatterjee, Industries Secretary, the Assembly considered the report of the Joint Committee on the Bill to amend the Indian Electricity Act, 1910, and passed it as amended by the Committee with some minor verbal alterations.

Mr. Chatterjee also moved that the Report of the Joint Committee on the Indian Factories Act be considered. From among twelve members of the Joint Committee Messrs. Joshi, Seshagiri Iyer and Lalubhai Samaldas each appended a separate minute of dissent, while Sir M. Dadabhoy, Sir V. Thackersay and Sir Alexander Murray wrote a joint minute of dissent. Mr. Chatterjee said that the Bill had undergone some changes in the Joint Select Committee which were quite desirable.

Several amendments were proposed, specially for the protection of children working in factories, of which the most important was one proposed by Sir Vithaldas Thackersay that children be not



altogether forbidden entrance into factories as they had often to carry food for their parents. This amendment was passed, and then the bill as amended was passed.

### *DELHI—11TH JANUARY 1922.*

Next day January 11th, the House sat only for two hours, and the business was mainly a reference to the Select Committee of the House of the several proposals for amendments of Standing Orders.

Having obtained the President's ruling, that the motion for referring to the Select Committee the amendments of the Assembly's Standing Orders did not commit the House to the principles of those amendments, the Home Member moved his 12 amendments which the House agreed to refer to the Select Committee. The amendments are fairly long and were intended, he said, to facilitate the task of the Govt. and non-official benches in certain important respects. For instance, it was desired that non-official Bills in advanced stage should have precedence over other non-official business, and that even among non-official resolutions which have been balloted the President should, if requested, exercise his discretion and allow any member who has not been favoured by a ballot, but who has an important resolution, to get priority over all other resolutions, provided at least 25 members of the Assembly agree to allow such a motion to have precedence. The Home Member explained that several times during the last two sessions the Government, consequent on the representations of non-official Members, or as a result of its own deliberations, agreed to allow important non-official motions to be moved on Government days. The Government had to do this, because, in the interest of the public, it had always thought it fit to allow, as far as it could, discussions on urgent and important subjects which, in ordinary course of events, might not be discussed. The result was that not only the Government was inconvenienced, but that its motive for allowing official days for certain non-official motions were questioned. Therefore, his proposal for the amendment of Standing Orders was accepted by the Committee and thereafter by the Assembly. It would entitle the President, with the consent of 25 members of the Assembly, to allow priority to a resolution which the President considered as deserving precedence in public interest.

The Assembly also agreed to allow Messrs. MacCarthy, Rangachariar and Laxmi Narayan Lal to move their respective amendments which were all referred to the Select Committee.

### *DELHI—12TH JANUARY 1922*

#### **Unani and Ayurvedic Systems**

The Assembly meeting on the 12th January Rai Saheb Lakshmi Narayan Lal moved the first resolution on the paper. It recommended that some practical steps should be taken to utilise the services of Unani and Ayurvedic experts for the prevention of epidemics in the country with the help of indigenous systems, and that a Committee should be appointed to recommend those steps. The Rai Saheb said that it was within the jurisdic-



tion of the Assembly to appoint a Committee as desired by him. The Government had already expressed its sympathy with similar resolutions brought forward in the preceding sessions, and he now urged that this sympathy be put into practical shape. He reminded the House that western medical treatment was not available to the majority of the population of the country, and it was, therefore, highly desirable that Unani and Ayurvedic systems, which were within the reach of the masses, be encouraged.

Mr. Sharp, Education Secretary, on behalf of the Government accepted the spirit underlying the resolution. His main objection, however, was that the subject matter of the resolution was perched upon a provincial subject, and there was also the difficulty of finding money for the purpose. Moreover, it would be unconstitutional for the Central Government to spend money on the subjects within the domain of the Provinces.

The motion of Mr. Lakshmi Narayan was however put and carried by a large majority.

#### Indianisation of the Royal Indian Marine

Sir Sivaswami Iyer moved his resolution about the Indianisation of the Royal Indian Marine and the encouragement of Indian Mercantile Marine. His resolution ran thus :

The Assembly recommends to the Governor-General in Council that a Committee, including experts and non-official Indians, be appointed to prepare a scheme (1) for liberal recruitment of Indians as Deck or Executive Officers and Engineers in the Royal Indian Marine, (2) for the establishment of a Nautical College in Indian waters for the purpose of training Executive Officers and Engineers of ships, (3) for the creation of an adequate number of State scholarships for providing instruction in the Nautical Colleges and training-ships in England pending the formation of a Nautical College in India, (4) for the encouragement of ship-building and the growth of an Indian mercantile marine by a system of bounties, subsidies and such other measures as have been adopted in Japan, (5) for the acquisition of training ships by gifts from the Imperial Government or otherwise, and (6) for the construction of necessary dockyards and engineering workshops in one or more parts.

Sir Sivaswami Iyer made a long speech in explaining his comprehensive resolution. He said that the object of his motion was to investigate the possibilities and ways and means of promoting the industrial development of India in the formation of a mercantile marine and encouragement of ship-building. He emphasised the fact that other countries, such as Japan, laboring under great disadvantages, had wonderfully succeeded in recent times. India knew that British experts told them that she could never become a ship-building nation; at any rate for a generation, but public opinion in India would not acquiesce in this verdict without an impartial examination as proposed by him. India was anxious to try the experiment, for purposes of commercial independence, of providing new careers to her youths, and of securing some of the profits of carrying trade. Moreover, the formation of a mercantile marine and the encouragement of ship-building could be largely assisted by Government aid. Many western countries, and particularly Japan, owed their naval greatness to



their Government subsidies. Till 1896 Japan had no definite plan for encouraging shipping trade. In 1896 and then again in 1903 the Japan navigation bounties and navigation subsidy laws were passed. State aid in India could take various shapes, such as exemption of ship-building materials from import duties, loans to ship owners etc. Therefore, the first step should be to encourage the formation of a mercantile marine under Indian ownership and the construction of necessary dock-yards for repair and construction. The next step would be ship-building on an appreciable scale. If their mercantile marine were to prosper, they must welcome English and foreign cheap capital and business knowledge and technical skill.

The Government views on Sir Sivaswami Iyer's resolution were given by Mr. Innes, Commerce Member, and Sir Godfrey Fell, Army Secretary. Mr. Innes said that Sir Sivaswami's desire was quite natural and the Government was ready and even anxious thoroughly to examine and explore the whole subject raised by the mover but the only difficulties were about time and money. There were certain obstacles which must, inevitably, make it long before India would make herself fully efficient in the Marine service. The position of Japan was quite different from that of India. Japan was an island and thus had to protect her coast. India was not so situated, and further the Government had seriously to count the cost of subsidy and aid the policy before adopting it, as Japan or other countries had done. Moreover, so long as India remained within the British Empire, she would be fortunate in that Britain would be protecting her coast which would otherwise cost her enormous sums. Further, Japan entered her naval programme at a time when she had no competition to meet. He said that ship-building was a very complex industry, and experts were of opinion that it would take a long time before India would equip herself with sufficient number of Nautical Colleges and Universities which were so essential for the training of the candidates. Concluding Mr. Innes suggested that, if, instead of appointing a Committee to prepare a scheme as suggested by the mover, it was put that a Committee be appointed to consider the measures which could usefully be taken, then the Government would have no objection in accepting the resolution, because in its present form it suggested unmanageable work.

Sir Sivaswami Iyer agreed and the House also agreed to the amendment of Mr. Innes.

Mr. K. C. Neogy moved an amendment to Sir Sivaswami Iyer's resolution to the effect that the Committee should also consider measures for ensuring the entertainment of Indian apprentices for training as officers and engineers in the ships owned by shipping firms that enjoy any subsidy or other benefits from Government on any account. The resolution, as amended by Mr. Innes and by Mr. Neogy, was put and carried.

#### Over-crowding on Railway

Rao Bahadur C. S. Subramaniam moved the following resolution :

This Assembly recommends to the Governor-General-in-Council that he may be pleased to take early steps to amend Section 109 of the Indian Railways Act, 1890, in order to make it obligatory upon a Railway Administration to see that no more than the number of passengers exhibited on a compartment under Section 63 shall enter such compartment or occupy the same and that a penalty in such case shall be imposed on such Railway Administration for allowing the entry or occupation by more than the maximum number of passengers so exhibited.



He described the lot of the third class passengers and the inconveniences they were often put to in finding accommodation. While the Government were imposing duty upon passengers and protecting the Railway Companies in various ways, there was no obligation imposed on the Companies for not doing their duty.

Mr. Innes, on behalf of the Government, strongly opposed the resolution as being impracticable. Over crowding existed in every country, and there was no penalty imposed on any Railway Administration for allowing more than the maximum number of passengers.

Mr. T. Rangachari moved an amendment to the effect that the Governor General should consider and adopt such further measures as may be necessary to avoid overcrowding in the Railway compartments. Mr. Innes accepted the amendment. The resolution, as amended by Mr. Rangachari, was put to vote and carried.

### DELHI—16TH JANUARY 1922

#### Welcome to the Prince.

On the Assembly meeting on the 16th Sir Jamsetjee Jeejeebhoy, Deputy President, moved that an address of welcome to His Royal Highness the Prince of Wales be adopted. He made a short speech and his speech was the only one on the motion, no other member speaking after him, and the address was adopted without discussion amidst applause.

#### The Address.

The address ran as follows :

"MAY IT PLEASE YOUR ROYAL HIGHNESS,—We, the members of the Indian Legislature, beg to tender to your Royal Highness our most respectful and cordial welcome to this country of ancient civilisation and culture which has been described as the brightest jewel on the British Crown. Your illustrious ancestor, Queen Victoria the Good, who was the first British Sovereign to assume direct sway over this land, endeared herself to the people of India not merely as an embodiment of the highest ideas of wife and mother, but by the deep and abiding interest she took in the contentment and prosperity of India and by her statesmanlike conception of the obligations of the British Crown towards every member of her vast Empire. Her remarkable capacity for identifying herself with the interests of her distant subjects of diverse races and creeds was never better displayed than in her gracious Proclamation of 1858 breathing sentiments at once lofty and inspiring in the noble words, "We hold ourselves bound to the natives of our Indian territories by the same obligations of duty which bind us to all our other subjects. In their prosperity will be our strength; in their contentment our security, and in their gratitude our best reward." Further signal proofs of her affection for the people of India and of her desire to create personal ties of attachment between them and the Royal House were, from time to time, furnished by the visits undertaken in compliance with her wishes by the members of her family.

"Following in the footsteps of your august father and grandfather, Your Royal Highness has resolved to acquire a first hand knowledge of the peoples and problems of the many and varied countries which owe allegiance to the British



Crown and over which Your Royal Highness will, in the fullness of Providence, be one day called upon to reign. In the fulfilment of this resolve you have already visited the great Self-Governing Dominions of the Empire with a generous disregard of the demands of your time, energy and health. It is a matter of deepest gratification to us that the rest, which Your Royal Highness has been already to enjoy after the strain of fatigue of your previous tours, has now enabled you to accept the invitation of His Excellency the Viceroy and carry out your intention of paying a visit to this great land. The visit of His Majesty, the King-Emperor, your beloved father, has cemented the bonds of sympathy and affection between the Royal House and the people of India and the message of hope brought to us last year by His Royal Highness the Duke of Connaught has been a source of inspiration and encouragement to the people and the Legislatures of India.

"A new era has been inaugurated by the recent Constitutional Reforms heralded by the ever memorable Royal Proclamation of 1919, supported by the declared resolve of the Imperial Parliament to enable India to attain Responsible Government. The Legislatures of this country are applying themselves to the task of utilising to the fullest extent the opportunities afforded to them for promoting the welfare of the country and demonstrating their capacity for working the new representative institutions in the confident belief that the passage from the present form of Government to full Responsible Govt. will not be long delayed. The people of this country are eagerly looking forward to the day when India will take her proper place as an equal partner in the British Commonwealth of Nations, when she will be a Self-Governing Dominion under the aegis of the British Crown and when the Indian Nations will speak in the Councils of the Empire through the voice of her chosen Ministers. We trust that in our loyal and constitutional labours for the realisation in the near future of the aspirations of the Nation we shall receive the unstinted sympathy, co-operation and support of His Imperial Majesty and the British Nation.

"We hope that Your Royal Highness will be able to carry away the most pleasant recollections of your visit to India and that with the sympathetic insight, for which you have already earned a name, you will be able to enter the aspirations and ideals of the Indian Nation and visualise and appreciate the problems with which we are faced, with the renewed assurance of our abiding loyalty to His Imperial Majesty."

#### Legislative Business.

On the motion of Dr. Sapru the House agreed to refer to a Select Committee the Bill further to amend the Code of Criminal Procedure by providing for the issue by Courts in British India of commissions for the examination of witnesses to such Courts of Princes and Chiefs in India as are notified in this behalf and for the execution by Courts in British India of commissions issued by such Courts.

The next motion was brought forward by Mr. Sharp, Education Secretary, who was allowed to introduce his Bill to establish and incorporate a unitary teaching and residential University at Delhi.

#### DELHI—17TH JANUARY 1922

##### Dr. Gour's Civil Marriage Bill.

Next day, January 17th, Dr. Gour moved that his Bill to amend the Act III of 1872, the Civil Marriage Bill, be referred to a Select Committee. Dr. Gour introduced this Bill last year when it



had been circulated for public opinion. Under this Bill Dr. Gour contends that civil marriage is every man's right and that he should be allowed to contract marriage according to the dictates of his conscience without reference to race, religion or social distinction. This Bill, according to him, permitted inter-marriage between all people. It was a permissive measure and did not attack the orthodoxy of any religion, but only contemplated legislation for the benefit of a class which believed in the unity of human race without being tied down by race, caste or religion.

Mr. Rangachari strongly opposed the Bill which, he said, proposed to do away with a sacred and indissoluble tie. He warned all against mistaking license for liberty. The marriage contemplated by Dr. Gour would be no marriage as it would not be performed according to the religious rites. If a Hindu were married in the way suggested by the mover, surely Hindus would not consider that a real marriage and, therefore, would never allow the newly-married couple into their fold and consequently would not consider them as entitled to any inheritance under Hindu Law. He felt sure that if the Bill became law enormous complications would be raised in the joint family system and the application of the Law of Inheritance.

Sir William Vincent announced that the Government's attitude was one of neutrality. Members of the Executive Council would not take part in the discussion or voting, but other official members were at complete liberty to express any view and vote accordingly.

There was a long and heated debate over this motion, the Government benches being deserted, and the non-official Indian members only taking part, some strongly supporting and others vehemently opposing it. Eventually Dr. Gour moved that the debate on his Bill be adjourned in order to allow time to his supporters and opposers to see if they could possibly come to some understanding. There was considerable opposition to an adjournment of the debate, but when the motion was put to vote the House, by 30 to 28 votes, agreed to a postponement of the debate.

The motion of Mr. Abdul Kasem for a reference to the Select Committee his Bill to provide for the registration of Waqf estates and proper rendering of accounts by Mutwallies of such estates in British India was similarly postponed.

#### **Habeas Corpus**

The House next agreed to the introduction of Mr. Rangachariar's Bill to amend the Code of Criminal Procedure, 1898, so as to enable all High Courts to issue directions in the nature of a *habeas corpus* in the case of all persons over whom they have jurisdiction, Original or Appellate.

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## The Council of State

DELHI—17TH JANUARY 1922

The first meeting of the Council of State was held on the 17th, Sir Alexander Muddiman presiding. The attendance was poor and business purely formal.

Sir Zulfikar Ali Khan voiced the feeling of the House by expressing their cordial and heartfelt congratulation to the President upon his recently conferred Knighthood, and in reply Sir Alexander Muddiman thanked the members cordially.

After interpellations Sir Zulfikar Ali Khan moved for the adoption of the joint address of welcome to the Prince of Wales which was adopted by the Legislative Assembly. No other member spoke on the motion which was then put and carried unanimously.

### Benares University Act Amendment

The Hon'ble Mian Sir Muhammad Shafi introduced a Bill to amend the Benares University Act. He said that by a resolution passed at one of its meetings the University had asked the Government of India to undertake the present legislation in order to enable the Non-Hindu members of the Court to continue, as hitherto, members of the Court of that University.

## The Legislative Assembly

DELHI—18TH JANUARY 1922

The Assembly met on the 18th to take up the long expected resolution of censure on the Govt. of India. It was a crowded House that met and the long and heated debate was keenly watched by the packed galleries. This was the only business of the day and there were some 18 amendments to the parent resolution moved by Mr. Iswar Saran.

### The Censure Resolution

After the formal presentation of Committee reports Mr. Iswar Saran rose and moved his Censure Resolution :—

This Assembly recommends to the Governor-General in-Council the immediate abandonment of the policy of repression inaugurated in the country.

Mr. Iswar Saran said that the decision of Non-Co operators to call out hartals and the violence resorted to in Bombay and on other occasions must be condemned. Equally strongly they must condemn the Government repressive policy, which had alienated all sympathy with the Government which had aggravated the evil it was intended to remove and which if persisted in was bound to lead to disaster. The application of the Criminal Law Amendment Act was most unjustifiable, in as much as it had been used for a purpose quite different from the one which necessitated its enactment. Surely, Volunteer organisations, with their pledge of non-violence, were not the murderous associations which



the Act was intended to break. What further proof could there be about their non-violent activities than that respected leaders and thousands of others were being arrested without any serious trouble? He had seen with his own eyes aged people selling Khaddar and asking people to observe hartal being arrested. For those reasons eminent men like Pandit Motilal Nehru, who could fill with honor any post open to Indians, were arrested and, with what results? Hartals were made more complete than they otherwise could have been. Under the Seditious Meetings Act even Congress Committee meetings were declared unlawful and no wonder, therefore, that Non-Co-operators had accepted the challenge to their freedom of speech and freedom of associations. Gaols were now no longer the places of terror; rather they were considered the places of pilgrimage.

The speaker said that even Sir William Vincent had, on the 23rd March last year, said the same thing which the speaker was now emphasising. The Home Member had then said that a policy of repression would lead to nowhere, would strengthen the hands of the Non-Co-operators whom they wanted to weaken, and would precipitate a disaster. What the Home Member said one year before had prophetically been proved as the result of a repressive policy. They must, therefore, change that policy now and at once. He appealed to the Government to bear in mind that Non-Co-operation was not a disease but a symptom. It could never die. Time should not, therefore, be lost to retrace their steps and to adopt constructive scheme to meet the causes leading to Non-Co-operation.

[When Mr. Iswar Saran concluded his speech, the President said that he proposed to allow Dr Gour to move his comprehensive amendment which covered the substance of all other amendments.]

**Dr. Gour** then moved his amendment :—

"Whilst strongly depreciating the aggressive form of Non-Co-operation manifested by some Non-Co-operators and resort to violence by them in some places as also the menace of mass Civil Disobedience, this Assembly strongly disapproves of the recourse by Government to a general policy of repression without previously consulting this House, and recommends to the Governor-General-in-Council the immediate abandonment of the policy of repression inaugurated in the country and the reversion to the policy announced in this House on the 23rd March 1921, the release of all persons in detention on pursuance of that policy and the convening of a Conference comprising of the representatives of all shades of opinion with a view to concert a practical plan for the restoration of peace in the country and for ensuring its political progress in consonance with its National aspirations."

Dr. Gour, in moving his amendment, narrated at length the course that repression had taken since the Prince's arrival on the 17th November 1921. The hartal in Calcutta was so complete that the next morning two Anglo-Indian journals of Calcutta flashed forth articles asking if the government had abdicated its functions. This clue was taken up by the Bengal Chamber of Commerce who wrote to the government to launch upon repression. Soon after the Bengal Government with the previous sanction of the Government of India declared Volunteer organisations unlawful.

His charge against the government was that knowing full well that the extra expenditure, which the repressive policy must entail, had to be sanctioned by the Assembly it did not consult the House before embarking upon that policy. On the other hand, it had approved the policy of the Bengal Government initiated on the advice of two Anglo-Indian journals.

He commended to the House the action of the Bombay Government which, despite bloodshed and violence, kept its head cool. The Behar government had also given up their policy on the advice of the Legislature,



The Government of India should also see in time the evils of its policy and abandon it in favor of constructive suggestions put forward in his amendment. The Volunteer associations were peaceful bodies and should not be penalised, but if its individual members committed wrong this should be dealt with certainly. He added that men like Pt. Motilal Nehru could not be charged for abetting acts of violence or be called members of an association which habitually committed violence. He appealed for the release of all prisoners which would act as a palliative followed by summoning a Conference to suggest the cure of the present crisis.

Mr. Jamnadas Dwarkadas made a long rhetorical speech expressing his sorrow at the state of the country but threw the blame wholly on the N-C-O. leaders and supported wholeheartedly the policy of the Government.

Mr. Seshagiri Iyer deprecated the attitude taken up by Mr. Dwarkadas. They should not say a word which would injure the prospects of a Round Table Conference which, he hoped, would be convened soon. Mr. Dwarkadas had now thought fit to say that the Government's policy was not repressive, while by signing the address of Malaviya Deputation he had characterised the Government's policy as altogether unjustifiable. (Hear hear). He said that Mr. Gandhi was quite agreeable to a Conference and he was ready to suspend hartals, picketing and mass civil disobedience up to 31st January, and if the Conference materialised he would keep suspended those activities during the deliberations of the Conference.

Sir William Vincent spoke at very great length in defence of the policy adopted by the Government. Government had not adopted any new policy, but had only actively applied their policy towards Non-Co-operation as set out in their resolution of October, 1920. They had always tried to avoid interference with the activities of Non-Co-operators so long as the public peace was not disturbed and the maintenance of law and order was not in danger, and they had in the words of the resolution proposed to maintain it till non-interference with the activities of that movement meant criminal betrayal of the law-abiding citizens. After the Malabar rebellion, which was due to the Khilafat agitation, and the bloody riots wherein very considerable loss of life and property was incurred, after what had happened in other cities like Calcutta and Delhi, no Government could sit quiet and be charged with inertia and apathy. They were bound to take measures to see that the Bombay tragedy did not repeat itself. The Government had ample proof that volunteers were habitually indulging in violence and intimidation. In one case the Non-Co-operators would not allow the burial of the dead body of a man who had the misfortune to be loyal to the Government, but when that dead body was buried, Non-Co-operators dragged out of the grave the dead body.

It was under such circumstances that Non-Co-operators forced the hands of the Government to actively maintain law and order. He appealed to them not to be carried away by sympathies towards some respected men now in gaol. The Government as much regretted their arrests as anybody else, but asked them to remember that whether it was a democratic or bureaucratic or autocratic Government law and order must be maintained, and it was the part of the Executive of the Government to maintain us. They must not, therefore, refuse their support to the Executive which felt the necessity to resort to certain measures in the interest of law and order. The Government had taken measures which it thought fit to adopt. The Seditious Meetings Act was extended to combat anarchy and sedition and was at present applied for the same purpose. Though the manifestations of that disloyalty were quite different from what it was ten years ago, every lawyer should know that it would have been impossible for the



Government to punish individual members of volunteer associations. They had to proclaim them, for they found that the precept and practice of non-violence were poles apart. They had been charged with not allowing freedom of speech and freedom of association. The Home Member asked whether that charge could be levelled against the Government or against Non-Co-operators who would show no toleration towards those who differed from them! For instance, the Bombay riot was merely due to the fact that Non-Co-operators wanted to take vengeance on those who honestly believed in and went to welcome the Prince. The speeches of Abdul Bari, and particularly of Hasrat Mohani, had shown that violence was their aim.

Concluding, the Home Member said that the country was faced with a grave crisis with the prospect of civil disobedience and violence. He asked: Are you going to encourage bloodshed and all those who are working for disorder? It is for you to say, whether, consistently with your own allegiance to the Crown solemnly sworn in here, you can deliberately encourage those who intend to overthrow this Government by all possible means. Ponder over your responsibility, and take such action as might save the danger to your life, to your property and to your honour.

Mr. Rangachari expressed surprise at the Home Member's appeal to the passion of the Assembly rather than to their intellect. He wanted the Assembly to keep in view that the strength of Non-Co-operation was based on the existence of people's grievances and unless those grievances were removed, Non-Co-operation would not die, because it was only a symptom of a disease. He was as anxious as the Home Member to see peace and order restored and maintained, but he was equally anxious to see that it was maintained consistent with the happiness of the people. The present policy of the Government was unwarranted. Last March the Assembly had sanctioned prosecutions under the ordinary law, and when those prosecutions were made, even when in certain cases there were excesses, the Assembly supported the Government's action. The arrests of Ali Brothers was questionable. He paid a tribute to the spirit of non-violence created in the country by Mr. Gandhi, for, otherwise, it could not have been possible for the Government to punish the Ali Brothers. Mr. Gandhi was as anxious as anyone else to see the country safe. They must take notice of his personality and see what they could do with him at a Round Table. If the country had boycotted the Prince of Wales, it was because it felt that His Royal Highness' visit would be politically exploited. The Prince should never have been brought to India at this moment. The speaker asked the Government to show a single instance in which their policy had been supported by any Moderate or Indian newspaper. Concluding, he appealed to the British statesmanship which had solved the Irish question not to find the Indian question beyond it. He hoped Lord Reading would take counsel and summon a conference.

Mr. Sarfaraz Khan moved his amendment that the amendment of the present policy should follow the suspension of activities respecting picketing and civil disobedience. His amendment was put and negatived.

Dr. Sapru, the Law Member, next made a long statement on behalf of Government. It did not contain much relevant matter except that law and order had to be maintained and the N-C-O.'s method of attaining Swaraj was horrid. Sir Sivaswami Iyer and other members of his Nationalist party opposed both the motion and Dr. Gour's amendment because of their dead hatred of the N-C-O. movement and Mr. Gandhi. The Assembly, after seven hours



debate, rejected Dr. Gour's amendment by 52 to 36 votes. The original motion of Munshi Ishwar Saran was also put and negatived by 53 to 33.

## The Council of State

*DELHI—16TH JANUARY 1922*

The Council also met on the 18th. for non-official resolutions of which the most important was Mr. Sethna's resolution for a Round Table Conference. Mr. Samaldas who had given notice of a similar resolution withdrew it without any explanation.

Mr. Maung Po Bye moved for an enquiry by a Commission or otherwise on the question of separation of Burma from the rest of the Indian Empire with a view to collect information and opinion and to determine how the question would effect the Indian Empire as a whole and Burma separately. Govt. opposed the motion which was put and lost.

Lala Sukhbir Sinha moved the following resolution :

This Council recommends to the Governor-General-in-Council to exempt from the operation of prohibitions or directions contained in the Indian Arms Act of 1878 or the Indian Arms Rules (a) head or manager as well as (b) other major members of those joint Hindu families which pay Rs. 2,00,000 or over as land revenue. This was lost.

### Round Table Conference.

Mr. Pheroze Sethna then moved that the Governor-General-in-Council should convene immediately an informal joint sitting of both the Houses of the Legislature excluding the Press representatives and visitors to settle on what lines a Round Table Conference of all party leaders should be held. A long debate then followed.

Mr. O'Donnell opposed the resolution on behalf of the Government. Mr. Khaparde moved an amendment to the effect that a Round Table Conference be convened, consisting of representatives of both the Chambers to consider the present situation and make recommendations. Lala Sukhbir Sinha next moved another amendment to the effect that a Round Table Conference be convened consisting of representative leaders of all shades of opinion of Indians and Europeans in India, including Members of the Indian Legislature with a view to consider the present political situation and find out ways and means for a satisfactory settlement of questions which have brought about this situation.

Mr. Sethna did not accept the amendment as it did not fit in with the scope of his resolution. The amendment was lost.

The amendment of Mr. Khaparde was also lost.



Mr. Sethna's resolution was then put to vote and declared lost. On Mr. Bhurgri claiming a division, the House divided with the result that 10 voted for the resolution and 23 against it.

In view of the result of Mr. Sethna's resolution, Mr. Bhurgri withdrew his resolution which was in identical terms.

## The Legislative Assembly.

DELHI—19TH JANUARY 1922

### Freedom of Press

On Jan. 19th Rai Saheb Lakshmi Narain Lal moved for a Committee to examine Sections 124A, 153A and 500 of the Indian Penal Code and Section 108 of the Criminal Procedure Code and to report in what manner these Sections should be amended, so that the rights of the State and the public or any section or member thereof may be safeguarded against abuse of their power by journalists, while at the same time protection is afforded to the latter against unwarrantable and unreasonable interference by either judicial or executive authority. After a short debate which showed that opinion was divided even amongst the leading Indian members, the resolution was put to vote and lost.

### Standing Committees

Mr. K. C. Neogy then moved that Standing Committees elected by the members of the Legislature be associated with the different departments of the Government of India other than the Army and the Foreign and Political Departments.

He said that the idea of Standing Committees to be associated with different departments was not a new one. It had been fully discussed in the "Montford" Scheme, was latter on referred to by the Government in its Despatch on the Reforms and was also touched by the Parliamentary Joint Committee on the Government of India Bill. Originally, the Government entertained some apprehensions about the usefulness and necessity for these Committees, but later on it instructed its representative, Lord Meston (then Sir James), to inform the Joint Committee that if it recommended in favor of Standing Committees a provision should be made that such Committees were not to be associated with Army and Foreign and Political Departments. The Selbourne Committee accordingly recommended the appointment of such a Committee, but left the definition of its functions to the Governor-General. What they now required was that, in order to gain practical education in administration, Standing Committees of the House be associated with different departments. The Standing Finance Committee had already done very useful work and its working should cause the Government apprehensions to disappear.

Sir William Vincent opposed the resolution on frivolous grounds of practical, not insuperable, difficulties in its execution; for instance, it would be difficult to get sufficient number of members to attend meetings of the Committees. Members from distant places like Madras and Assam would not be able to come and attend the Committees' sittings. These Committees would also entail extra Secretariat work. The Secretariat staff was already so much over-



worked that it was on the point of breaking. The Assembly would then have to sanction extra expenditure for additional Secretariat Staff. The appointment of Committees would greatly delay the disposal of important work. Moreover, in certain departments, for instance, in his Home Office, certain work was very confidential and could not be disclosed to the members of the Committee! In fact, the appointment of these bodies would mean indirect establishments of control over the Executive Government which the Reforms Act did not contemplate. He said that while for various points put by him they could not agree to Mr. Neogy's proposal Govt. would be glad to consider the appointment of any Committee on any particular subject.

Dr. Gour disposed of the arguments of inconvenience to members as superfluous. The crux of the whole objection of the Government was that the appointment of a Committee meant much less of power and bureaucratic character of the Central Government. The Home Member's argument that such committees were incompatible with the Reforms Act was wrong, in as much as a provision for these Committees had solemnly been in the Act itself. They had often been charged with lacking in administrative experience and now when they suggested means whereby the experience of the working of the departments was to be gained, they were told that the work of the department was very confidential!

Sir Malcolm Hailey followed in the same strain as the Home Member.

Mr. Samarth said the resolution did not contemplate interference with current work as apprehended by the Finance Member. They only wanted the matters on policy to be brought before the Committee for approval. Government should not object to the principle underlying the proposal, especially after committing themselves to it through Lord Meston before the Selbourne Committee. Mr. Samarth did not agree to the proposal as it stood, for he wanted that these advisory Committees should in their composition and procedure be exactly as the Joint Committee had recommended. He, therefore, moved an amendment to Mr. Neogy's motion to the effect that Standing Committees of the Indian Legislature be associated with the different departments of the Government of India other than Army and Foreign and Political Departments. Their composition and the regulations which govern their procedure were to be matters wholly and exclusively within the discretion of the Governor-General.

Mr. Rangachariar gave his full support to Mr. Neogy. He asked the House whether they were not prepared to sacrifice for the good of the country and attend meetings of the Committee. (Voices: We are.) From experience as a member of the Finance Committee he was sure a great deal of experience was gained by serving on such Committees. They wanted to be acquainted with the inner working of the different departments. The Home Member had told them that certain things were confidential. Are you not going to take us seriously, he asked, have you not placed confidential papers in the hands of the members of the Repressive Laws Committee and the Press Laws Committee? Have they broken your confidence? What is the fear of placing confidence in the members of the House? The more confidence you place the more response you get. He said Mr. Samarth had suggested an amendment substituting nomination for election. He warned the House against giving away its right of electing its own representatives.

Mr. Samarth's amendment was put and negatived. Mr. Neogy's resolution was then put and carried by 40 for and 30 against.

Next day, January 20th, the Assembly met to take up the discussion on Dr. Gour's Civil Marriage Bill. Government and European members were absent. After a short discussion the motion



that the bill be referred to a Select Committee was thrown out by the House by 27 to 25 inspite of the vigorous attempt of Dr. Gour to have his motion carried.

On January 24th, Sir Vithaldas Thackersey moved :—"This Assembly recommends to the Governor-General-in-Council that a Committee, with a majority of Indian members be appointed to consider the whole question of (1) the present policy of Currency and Exchange, (2) the opening of the Indian Mints to the free coinage of gold, and (3) the location of the Gold Standard Reserve in India and to report with its recommendations at an early date."

He referred to the Babington Smith Committee's report and said that it was India's misfortune that when her vital interests were concerned, such as the fixing of her Currency and Exchange policy, she could not even have sufficient representation to make her influence felt. The prevalence of high prices would continue for many years and to protect India from the effects of further rise in such prices were some of the arguments on which the Committee fixed the two shillings Exchange, but the amelioration of the evil of high prices formed no part of the terms of reference and was needlessly dragged in, in support of its recommendation of two shillings Exchange. The manipulation of a standard unit of a country was not the right or a desirable way of controlling prices. The Committee's anticipations of the future course of world prices had not been justified by events and the price of silver had fallen from 80d to 34d per ounce and the leading income crops, jute, cotton, and tea, were now at or below pre-war levels even with exchange below 1s. 4d. So, on the Committee's own showing, as stated in para 51 of their report, the time had come for a reconsideration of their recommendations by the appointment of an unbiased Expert Committee with a majority of Indian members. Proceeding Sir V. Thackersay pointed out that the altered legal standard was doing the greatest amount of mischief and said they must revert to original standard of 1s. 4d. which in fact was now the current rate. He next emphasised that until India had got a real gold coinage, her currency policy would never be perfect and if the Royal Mint raised any more technical objections to the opening of mints in India to the free coinage of gold, they must decide to coin free of charge gold "mohurs" of the exact weight and fineness as the Sovereign.

Sir Malcolm Hailey made a long statement wherein he defined the Government attitude on the three points raised by Sir Vithaldas and trotted out the usual arguments of Government as to the reasons why they were depleting India of her financial resources. His arguments were so very convincing that the House rejected the motion by 41 against 37 !



Impressed Labour.

Mr. Joshi moved a resolution recommending that immediate steps be taken for the abolition of impressed labour for conveyance and provision wherever it obtained in India either under local or imperial statute or under local custom. Mr Joshi said that since the advent of the British Rule in India oppressions of impressed labour had continued in almost all parts of India in some shape or another. Even the Simla Hills, as the efforts of Mr S. E. Stokes had revealed, were groaning under the evil. It was, he said, shameful that such atrocities as were being committed on poor labourers be allowed to continue. Mr. Joshi cited several cases in which impressed labour was exacted and depicted the hard lives of the labourers under the existing conditions.

Mr. Rangachari moved an amendment suggesting the examination of the whole question of the impressed labour. He said the original resolution was ideally perfect but somewhat impracticable.

Mr. Sarma on behalf of Government assured that Government would undertake the examination of the question and accepted Mr. Rangachari's amendment.

The original resolution as thus amended was then carried.

On January 25th Sir William Vincent withdrew the Bill to amend the Code of Civil Procedure of 1908 introduced on 1st March 1921 on the recommendation of the Select Committee. A new bill on similar lines was shortly to be introduced.

Mr. Sharp moved that the Delhi Unitary Teaching and Residential University Bill be referred to a Joint Committee of the two Houses consisting of 12 members.

The motion for a Joint Committee was put and agreed to.

Sir Malcolm Hailey moved for consideration of the report of the Joint Committee on the Bill relating to the consolidation and amendment of the law relating to income-tax and super tax.

After discussing fourteen amendments of which three were carried and the others rejected the House agreed to the first nine clauses of the Bill as amended and then adjourned.

## The Council of State

*DELHI—23-31ST JANUARY 1922*

On January 23rd the Council met for only an hour and three bills already passed by the Assembly, namely, Benares Hindu Univ. Amend. bill, the Indian Electricity Amend. bill, and the Factories Act Amend. Bill were passed without discussion.



On the Council meeting on the 25th for non-official business Mr. Bhurgri wanted the Government to lay on the table the correspondence in their possession relating to the present unrest which had passed between the Government of India and the Local Governments on the one hand and the Government of India and the Secretary of State on the other but he withdrew it.

Mr. Kale then moved for the appointment of a Committee consisting of Members of two Houses of the Legislature to explore all possibilities of retrenchment and economy in national expenditure and to make concrete proposals regarding the same.

In moving his resolution Mr. Kale referred to the steady increase in expenditure during the last few years and said that despite the fact that India was passing away from the extraordinary conditions which prevailed during the war the Central Government as well as the Provincial Governments were now faced with heavy deficits with the inevitable prospect of additional taxation. There had been an increase of sixty per cent. in expenditure from 1913-14 to the present year and one did not know when they would be in a position to say that the highest limit of taxation had been reached. Retrenchment was overdue and rigid economy must be their watchword. The committee he proposed would not interfere with the work of the Government or of the Finance Committee nor had it got anything to do with the coming budget. Its object would be to take a large view of the general expenditure and find out where economy was possible.

Mr. Cook, the Finance Secretary, welcomed any proposal which sought to reduce expenditure but there was already in the Central Government an atmosphere of retrenchment as was evidenced by the Military requirements committee which for all practical purposes was a retrenchment committee and whose unanimous report was now before the Home authorities. Continuing Mr. Cook announced amidst applause that the Viceroy had for sometime past had this question under consideration and had decided to issue an order calling on all departments to point out the directions in which retrenchment could be effected.

Several members including Sir. Arthur Froom supported Mr. Kale but his motion was defeated by 19 against 13.

Next day the Council met again when Sir Mian Muhammed Shafi moved the Council to agree to the recommendations of the Assembly that the Delhi University Bill be referred to a Joint Committee of 14 members. This was accepted without discussion.

Mr. O'Donnell, Home Secretary, introduced a Bill to repeal certain provisions of the Indian Criminal Law Amendment Act, 1908. This Bill was designed to repeal Part I of the Criminal Law Amend-



ment Act as unanimously recommended by the Repressive Laws Committee.

The Home Secretary next introduced a Bill to repeal certain special enactments supplementing the ordinary Criminal Law. He said that the Repressive Laws Committee recommended the total repeal of only certain special enactments which had been mentioned in their report. The Bill was designed to give effect to the total repeal of those enactments, but the Committee had also recommended amendments of Regulation 3 of 1818 and similar regulations in Bombay and Madras. These were of a complicated character, and were under correspondence with the Secretary of State.

#### Indians in Port Trusts

Mr. Sethna, moved that steps be taken to increase the number of Indians in the higher grades in the service of Port Trusts and to lay down a definite policy in regard to the same for the future. He said there were only 6 per cent of the total number of men who drew salaries of Rs. 500 and upwards and there was not a single Indian in any of the five principal Port Trusts who held an appointment carrying a monthly salary of Rs. 1,000 and over.

The motion was opposed by some of the European members, but Mr. Lindsay, on behalf of the Government, accepted the spirit of the resolution.

The Council met again on the 31st January for purely formal business and sat for less than half an hour. The Council agreed without discussion to the passing of two Bills ; one repealing Part I of the Cr. Law Amend Act 1908, and the other repealing certain old repressive enactments. Mr. O'Donnell then moved that the House do sign the International Convention for the suppression of traffic in women and children as accepted by the League of Nations Assembly with the reservation that in India 16 instead of 21 be taken for the age limit. This was passed.

### The Legislative Assembly

DELHI—26TH JANUARY 1922

The most important item on the agenda on this day was the resolution on control over the whole budget moved by Mr. P. P. Ginwala. He moved that such steps as may be necessary may be immediately taken to abolish the distinction between votable and non-votable items in the Budget and to submit the whole of the Budget to the vote of the Assembly.

He said that there were three means to achieve their object, either from the Governor-General-in-Council or from the Secretary of State.



and lastly at the hands of the British Parliament. He believed that they could gain their ends by mutual understanding and compromise with the Government itself, if the latter was amenable to reason. There would then be no need for them to seek the help of legislation by the British Parliament. Under the Government of India Act the Governor-General-in-Council could exercise his powers in favour of the Assembly by giving it reasonable control over the Budget. The existing state of affairs made their power for good very limited ; for instance, no opportunity was given for an intelligent criticism of the Army which consumed the largest sum. Members would welcome opportunities for effective criticism. Moreover, no danger to the country need be apprehended by the grant of the request. Rather, the effect of it would be quite the contrary. The position of the House, as it stood, was really impossible. Members should be given fuller opportunities for scrutinising all items, specially in connection with the budget which showed a deficit. As it was, they had quietly to accept the position as put by the Govt. without demur.

Dr. Gour strongly supported the resolution. He hoped that the Government would accept, as a matter of expediency, a proposal which was simple and extremely reasonable. (Hear hear.) He reminded the Government that Sir Godfrey Fell, the Army Secretary, replying to the criticisms of the Military Budget last year, expressed his personal wish that the Military Budget were subject to the vote of the Assembly which might thus shoulder the responsibility. The Army Secretary did not, therefore, apprehend any wrong at the hands of the House. Dr. Gour warned the Govt. that unless their request was granted, the gravest situation in the history of the House might arise when the next budget, which expected a huge deficit, was submitted to their vote.

Mr. Subrahmanyam said that he did not see any danger to the Government in case the request of the mover was granted. Even if the Assembly was given full powers to vote on all items in the budget, the Governor-General would still retain his veto power which might be urged in case the Assembly went wrong. On the other hand, the grant of the request would inspire confidence and enable members to share the responsibility with the Government and defend Government's actions outside the House.

Mr. Zahiruddin Ahmed was the first speaker who opposed the motion. He said: "First deserve and then desire." He doubted whether they had done their part of the contract before asking the other party to look to its part.

Sir Godfrey Fell intervened in the debate, not for purposes of giving the Government view which, he said, would be expressed



later by the Finance Member, but to correct certain misapprehensions regarding the right of the House to consider the details of military expenditure. Last March he had supplied the members with a long memorandum explaining all the items in the Military budget and also stating the military policy which the Commander-in-Chief and the Military Authorities were pursuing in respect of the Army in India. Moreover, the details of the Military Budget were given quite as fully as of any other Civil Department. The House could even now both scrutinise and criticise the Army estimates. He remembered two hot days in last March when he was receiving a shower of brickbats from all sides of the House, because every speaker who spoke on the budget attacked very little else than the Military figures.

Mr. McCarthy saw no danger on the Government acceding to the request of the mover. He announced his support to the motion, but suggested an amendment limiting the grant of the privilege of vote on all items to the coming budget only.

Mr. Ginwala, the mover of the original resolution, expressed his willingness to accept Mr. McCarthy's amendment.

Sir Frank Carter supported amidst applause the amended resolution on behalf of European non-official members from Bengal and Bombay. He did so on the understanding that Mr. Ginwala and his supporters would abide by their promise of not abusing their new powers.

Sir Malcolm Hailey explained at great length the difficulties which confronted the Government in the interpretation of the Reforms Act. On the question as to whether the framers of the Act contemplated the discretion of the Governor-General to be used in allowing the House a discussion on non-votable items or both discussion and vote on those items, the Government would however consult legal officers of the Crown. He also explained the reasons which necessitated the reservation of certain items.

Continuing, Sir Malcolm Hailey doubted whether any Govt. had afforded its Legislature fuller details more carefully prepared than those which were placed before the Assembly last year on both military and civil expenditure. Touching the resolution, he feared that it was framed in wide terms in order to include two possible alternatives on different interpretations of Section 67 (3) of the Government of India Act. The language of the Act was open to two interpretations, one that the Governor-General was left the discretion to direct the Assembly to discuss the non-votable items, and secondly, that the Governor-General was left the discretion of vote of the Assembly. Mr. Ginwala's resolution was, therefore, so wide that it included both the interpretations. The Government, for its own part, could not commit itself to any interpretation without referring the matter to the legal officers of the Crown. In any case, the matter under discussion was such that it entirely rested with the Governor.



General who would be the final authority on the subject of discretion. It was, therefore, not the concern of the Governor-General-in-Council, and as such Government benches could not say anything on the matter on which the final opinion was only that of the Governor-General. He asked the House to consider the history of the manner under which the particular clause of the Act came into being. That clause did not exist in the Bill as presented in May, 1919. On the 31st October, it was for the first time introduced, and on the 3rd December, it assumed shape in which it was now found. In the Act the Joint Committee in its report did not suggest discretion in the manner interpreted by the mover. Sub-Section (3) of Section 67 of the Government of India Act, which was being doubly interpreted, runs : "The proposals of the Governor-General-in-Council for the appropriation of revenue or moneys relating to the following heads of expenditure shall not be submitted to the vote of the Legislative Assembly, nor shall they be open to discussion by either Chamber at the time when the annual statement is under consideration unless the Governor-General otherwise directs." Sub-Section (5) of the same Section runs : "The proposals of the Governor-General-in-Council for the appropriation of revenue or moneys relating to heads of expenditure not specified in the above heads shall be submitted to the vote of the Legislative Assembly in the form of demands for grants".

Sir Malcolm said that when Sub-Sections (3) and (5) were read together they suggested that the Act did not contemplate non-votable items to be submitted to the vote of the Assembly. He continued that at any rate it is possible that the intention of the framers of the Act was that the discretion of the Governor-General-in-Council should be limited entirely to opening the reserved items for discussion and not for vote. Moreover, there is really no procedure provided in the Act by which these reserved items can be brought before the Assembly. There is, therefore, an outstanding difficulty which we must face and are now placing before the law officers of the Crown. The Finance Member said that the Government fully knew the powers of the Assembly to bring about deadlocks and recognised the aspirations of the House. He thought that it was not necessary to indulge in the threats in which Dr. Gour and Mr. Ginwala had indulged, for they had only weakened their cases by referring to them. He added that they could do anything with the Finance Member, but could not bribe him. (Laughter.) He reminded the House that the concessions now asked for went even further than what Mr. Patel, as representative of the Congress, and Mr. Sastri as the representative of the Moderate Deputation had demanded. Another difficulty was that they apprehended that the successor of the present House might not be as reasonable as the present Assembly had shown to be. Sir Malcolm said that there were important grounds which justified the reservation of items. As for Military estimates they all knew that India at present could not defend herself independent of the help of the United Kingdom. As long as the British Parliament was responsible for the defence of India, she must have the decided and final voice in the defence.

*Dr. Gour : What about Australia ?*

Sir Malcolm : Australia is not India. Australia has no land frontier, and she has already begun to have her own Navy. Similarly as long as the Secretary of State was to recruit men for Imperial Services he must be in a position to guarantee to the incumbents certain rate of pay. In conclusion of his long speech, the Finance Member said that if the interpretation of the Act showed that the Governor-General had the discretion claimed by the resolution, then the Governor-General in Council could take no action on the resolution whatever, because the full and final authority rested with the Governor-General who must be the sole judge and whose must be the sole decision.



Mr. Samarth, in supporting the motion, said that the Moderate Deputation, in the course of its evidence before the Joint Committee, only pressed those points which could then be possibly gained. He thought that the Act, as punctuated, clearly indicated that the Act as passed gave the Governor-General discretion to allow the Assembly to vote on the non-votable subjects. The resolution, he added, contained just and reasonable demands.

Bhai Man Singh asked whose fault it was that India after 150 years of British Rule was still unfit to defend herself. It was because they wanted so to regulate their future military policy as to make India self-defending that they were demanding the power of vote on Army estimates. Mr. Yamin Khan also supported.

At this stage, closure was applied for and granted. The House thereupon divided on the amendment of Mr. McCarthy and adopted the amendment, amidst applause, by 51 votes against 27.

The amendment having been carried, Mr. Ginwala briefly replied to the debate. The amended resolution of Mr. Ginwala was then put and carried without division. The resolution, as finally passed, ran :

"This Assembly recommends to the Governor-General in Council that such steps as may be necessary may be immediately taken to abolish the distinction between votable and non-votable items in the coming Budget and to submit the whole of the budget to the vote of this Assembly"

#### DELHI—28TH JANUARY 1921

The most important business of the day was the introduction of the Police Bill by Sir William Vincent. Discussion first proceeded on the Select Committee's Report on the Income Tax and Super Tax Bill. After various amendments had been moved and mostly negatived, the bill as amended was then passed.

Sir Sivaswami Iyer then brought forward a series of amendments to the Assembly's Standing Orders and after briefly explaining their objects moved that they be referred to the Select Committee already appointed in connection with this matter. The motion was agreed to.

#### Tampering with Police Loyalty

Sir William Vincent next moved for leave to introduce a Bill to provide penalty for spreading disaffection among the Police and for kindred offences. The statement of objects and reasons stated that, in view of the attempts that have been made and are being made (a) by means of threats, intimidation and otherwise to induce members of the Police force to refrain from doing their duty, and (b) to spread disaffection among them, the Government of India have for some time had under consideration the question of penalising such attempts. He said that neither the Indian Penal Code nor the Indian



Police Act, 1861, contained provisions to meet this evil. A prosecution could doubtless, in certain cases, be instituted under Section 29 of the Police Act read with abetment Sections of the Penal Code, but Section 29 of the Police Act was designed to meet ordinary breaches of discipline and would not cover many dangerous forms of tampering with the Police. Moreover, the maximum punishment permissible under this Section, namely, three months' rigorous imprisonment was manifestly inadequate for serious offences of the nature now in view. The Government of India were accordingly of opinion that the authorities should be given additional means of dealing with this form of crime, and it was proposed, therefore, to enact this Bill which had been framed on the lines of Section 3 of the English Police Act, 1919. The Bill was introduced without any discussion.

Sir William Vincent then introduced the Bill further to amend the Provincial Small Cause Courts Act, 1887, and the Code of Civil Procedure Code, 1918.

Mr. Hullah next moved that the report of the Select Committee on the Bill further to amend the law relating to Emigration be taken into consideration. On the motion of Mr. Rangachariar, who pointed out the importance of the measure and the lateness of the hour, the consideration of the Bill was postponed.

### DELHI—31ST JANUARY 1922

#### Criminal Procedure Code

On the motion of Mr. Rangachari the House agreed to commit to a Select Committee his Bill which proposed to extend the provisions of Section 491 of Cr. P. C. to all High Courts and all persons within the appellate jurisdiction. The mover thought that there was no reason why all High Courts should not have the power to issue direction in the nature of *Habeas Corpus*, nor was there any adequate reason why protection afforded by Section 491 should be confined only to persons within the ordinary original jurisdiction. Moreover, in the case of European British subjects the power to deal with unlawful detention was already given to all High Courts and extended to these persons within the appellate jurisdiction also.

Mr. Ramayya Pantulu asked leave of the House to introduce his Bill to amend the Land Acquisition Act in order to provide against unlawful or vexatious acquisition of land. Mr. Hullah, Revenue Secretary, stated that while reserving its attitude on the issues involved in the Bill, Government would not object to its introduction. The House thereupon gave leave and Mr. Ramayya Pantulu introduced his Bill.



Rai Bahadur Baksbi Sohan Lal, asked leave to introduce his Bill to amend the Cr. Pr. Code in certain respects which, he thought, would result in levelling up the standard of justice. But as this subject was fully discussed by the Racial Distinctions Committee the House disallowed the matter.

Mr. Abul Kassem introduced his Bill to give legal status to Mukhtars practising in Criminal Courts. Sir William Vincent said that, while the Government reserved its future attitude regarding the Bill, he did not want to oppose its introduction.

*DELHI—1ST FEBRUARY 1922*

On February 1st a crowded House met to hear the discussion on Mr. Joshi's Women Franchise Bill. The proceedings opened with Sir William Vincent's introduction of a bill to amend the Lunacy Act.

Mr. N. M. Joshi then moved for an amendment of the Legislative Assembly Electoral Rules so as to remove sex disqualifications in the matter of registration on the electoral roll of persons who are entitled to vote in the election held for the Legislative Assembly. He said that although this resolution was to be moved by his weak voice, he had the support, express or silent, of half the population of the country. His proposal was very modest. He did not ask by this resolution that the women of this country should be enabled to become themselves candidates for election to this Assembly.

Col. Gidney and about half a dozen members asked :—Why not ?

"I am not asking by this resolution," said Mr. Joshi, "to create a large number of women rivals for those who are already in the field. (Laughter.) Of course, I am not against women coming and sitting in this Assembly, but I understand the feelings of some of my colleagues who are shy and nervous in the presence of women. (Laughter.) It is because I respect their feelings that I don't make an extreme proposal of that kind. The other reason why I don't propose that women should sit with us in this Assembly is that changes in the rules require the approval of the Government of India, then the Secretary of State and then the House of Commons and Lords. There are great difficulties involved in getting sanctions of these august bodies. Then, again, I am not asking that every woman in the country should have a vote." (A Voice : Why not)

(Dr. Gour : Shame).

Mr. Joshi, continuing, said that the number of women will be very small, because only those who pay income tax or heavy land tax or municipal tax will be allowed to vote. I can't say how many enfranchised women there will be if this resolution is passed. At the last session of the Assembly I asked a question on this point, but the Government refused to give that information. Perhaps, in matters concerning women the Government prefers to stand neutral. I can not, therefore, give the number of women who will be enfranchised. Again, this resolution will apply only to those Provinces, where the Local Councils



have removed the disqualification for election of members to Local Councils. So it will apply only to Madras and Bombay. I am not bringing the Upper House within the sphere of this resolution, because in that House I am quite sure that there is hardly any room for such a modern idea as the enfranchisement of women. (Laughter.) The resolution is not compulsory and it will not disturb the gosha or purdah ladies if they don't want to come and vote.

Dr. Gour in moving an amendment emphasised the necessity for the removal of sex disqualification in the way of women practising as lawyers. He quoted instances of able ladies who had passed their law examinations, but were not allowed to practise on no legal grounds, but for the mere reason of their belonging to the fair sex. But it was to the credit of the Allahabad High Court that it had the good sense of allowing Miss C. Sorabji to practise at its Bar. The Legal practitioners Act allowed all duly qualified persons to practise, and the word "person" in the Act covered both sexes. So there was no legal difficulty in the way. In order to give effect to his desire, he moved an amendment to Mr. Joshi's resolution by adding, at the end of his motion, a request to the Government to remove the sex bar held to disqualify women from enrolment as legal practitioners in the Courts of this country.

Mr Rangachariar raised an objection as to whether, according to the Assembly rules, Dr. Gour could move an amendment which went far beyond the scope of the original proposition. The resolution only desired to enable women to be registered on the electoral roles of the Assembly, while the amendment demanded the removal of disability in their way as legal practitioners. The President disallowed the objection and gave his ruling in favour of Dr. Gour.

Sir William Vincent pointed out that Dr. Gour's amendment had introduced a very different subject. "With all respect to the Chair, Government felt that an important discussion had sprung up at the last moment. The question involved several difficulties. He announced that Government would consult the High Courts and Local Governments on this question and secure public opinion. After that it would be open to any member of the Assembly to move a resolution on that point. He hoped that this assurance would satisfy Dr. Gour who championed the cause of the fair sex and that the House would not be asked to give a verdict prematurely.

Dr. Gour, in view of the assurance of the Home Member, asked leave to withdraw his amendment. The original resolution was pressed to a division and carried amidst applause, 41 voting for and 16 against it.

#### *DELHI—3RD FEBRUARY 1922*

After questions were answered, the first resolution which stood in the name of Mr. Ginwalla was to have been taken up. The



resolution asked for the appointment of a Committee to examine the provisions of the Indian Penal Code in order to bring them into conformity with modern conditions, but as Mr. Ginwalla was not present the resolution was taken as withdrawn. The second motion on the agenda stood in the name of Mr. Sambanda Mudaliar for the reduction of the contribution of the Madras Government to the Central Government from Rs. 148 lakhs to one crore of rupees. Before Mr. Mudaliar stood up the President ruled that the resolution could not be moved, as the Assembly had already rejected an amendment of a similar character moved by Mr. Venkatapathi Raju on the resolution of the Finance Member on the 30th September last in Simla waiving the claim of the Central Government on the Bengal Government's contribution for three years to the extent of Rs. 63 lakhs.

The next three resolutions on the agenda paper were in the names of Mr. Maung Sin for the separation of Burma, of Mr. Ahmad for the release of the Ali Brothers and others, and Mr. Yamin Khan for stopping the export of wheat and wheat-flour except for the consumption of Indian Hajis in Hedjaz for a period of three years, but all these three members were absent and their resolutions were taken as withdrawn.

Upon this Sir William Vincent entered a strong protest against the manner in which Government had been treated by those members by failing to attend that meeting. Government had to prepare replies for a considerable number of resolutions of which notice was received. In the case of one of the motions appearing on the agenda the Home Department had to spend several hours for collecting the required information and only at the last moment after they had undergone the labours the mover had told them that he was not willing to move.

#### The Andhra Province.

Mr. J. Ramayya Pantulu then moved his resolution that the Andhra districts should be constituted into a separate Province and that early action may be taken in this respect. He said, that the justice of his plea had been freely acknowledged by Government officials, and Dr. Sapru, while a non-official, had declared himself in favour of the proposals. Moreover, Andhra country had produced men now occupying high positions of responsibility.

On Sir William Vincent replying that it would entail useless additional expenditure, the resolution was withdrawn.

#### Indian Cantonment Code.

Mr. Haji Wajihuddin next moved for a Joint Committee of officials and non-officials to enquire into all the cases of expulsion



from Cantonments under Section 216 of the Indian Cantonment Code of 1912 and that the Committee should contain two-thirds non-officials, partly elected by this Assembly and partly nominated by the All-India Cantonment Association.

Mr. Piyare Lal, who was the Chairman of the Reception Committee at the All-India Cantonment Conference held at Meerut, strongly supported the resolution, pointing out that Section 216 had been construed to apply to those cases which it was never intended to apply. He voiced the feelings of vehement protest against this Section by the civil population living in Cantonments.

On Sir Godfrey Fell replying that the Government would modify section 216, the mover withdrew his resolution.

#### Retrenchment Committee

Dr. H. S. Gour then moved his retrenchment resolution, which asked for the appointment of a mixed Committee of officials and non-officials to enquire into the cost of the Central Government and report on the possibility of effecting economy therein. Dr. Gour said he would deal with the Military and Civil Departments separately and suggest cuts taking the Military Department first. He said that the upkeep of British soldiers alone cost them last year a little less than Rs. 17 crores. Indian soldiers cost only one-fifth of his British comrades. So by the doing away with the British element they would immediately effect a saving of Rs. 13 crores. Again, even though four Commands had been created, the Army Head-quarter was more populous than in the pre-War days. There was lack of policy. Aerodromes were first built and then scratched. More than a crore of rupees was spent on Air Service which was not very useful and which India could not afford at present. The Territorial and Auxiliary Forces should be able to dispense with the necessity of the maintenance of troops for internal security. Dr. Gour then named all departments one by one, pointing out that those were over-staffed, especially in the senior offices. He said that the House should insist not on the association of its members with any officials in advisory capacity. The House should appoint its own Committee to effect salutary retrenchments in the expenditure of the Central Government. He was surprised to find that, inspite of subjects like education, revenue, agriculture, etc., being now transferred, the Central establishment maintained its previous strength.

Mr. Samarth, in reply to the Government plea, said that the question was not whether Government was satisfied with its reductions, but whether the House was satisfied with them. It was, therefore, necessary that they should have a Com-



mittee of the House which should call any Officer it liked to place before it all files and explain the details of expenditure. For instance, the Controller of supplies might be asked to produce copies of sugar contract which would show whether the tenders had been invited or not, and whether orders had been given at the market rates. A departmental official, however earnest about economy, could not, consistent with his constitutional position, recommend to Government a change in the policy which alone was responsible for wastes. What the House should insist on was its own Committee to examine the policy which was responsible for extravagance and recommend a change in that policy.

Sir Malcolm Hailey, replying to the debate, agreed that retrenchment was necessary. He claimed on behalf of the Government of India that they were striving their best to effect economies in every direction, and said they had already resisted year in and year out new items of expenditure. He did not deprecate criticisms or suggestions for making retrenchment, but he must join issue with Dr. Gour in some of his statements. Dr. Gour had stated that there were two Secretaries in Commerce and Industries Department. Sir Malcolm thought it was a matter of credit that Government had only one member. (Laughter.) Dr. Gour was then wrong when he stated that there were two Secretaries in the Home Department. In fact, there was only one Secretary. As for his own Department (the Finance) he pointed out that there was one Officer who was engaged in income-tax work which was proceeding. Sir Malcolm Hailey emphasised the statement which Mr. Cook the Finance Secretary, made in the Council of State in reply to Mr. Sethna's resolution for retrenchment and observed that that was the right course to adopt in the circumstances. He pointed that, in the first place, the departments would be given a chance of finding out where economy could be effected and, in the second place, an independent enquiry would be made by an officer of the Finance Department whose suggestions would be considered by the Executive Council. "Sir, it was suggested in the Council of State that non-officials ought to be associated with this enquiry and the same point was mentioned by Dr. Gour in order, as he said, to satisfy the Council that everything had been done in the way of retrenchment. I may inform the House that it has been decided by the Governor-General to associate two non-officials of this House and two non-officials of the other House with the Officer who would be engaged in the enquiry. I ask, is this not a better method of dealing with the question than the appointment of a Committee as suggested by Dr. Gour? (Dr. Gour: No.) Sir, I have got a wider experience of this matter and I firmly believe that the association we suggest of non-officials with the Officer who is to report to the Executive Council will be the best way of securing retrenchment. The Committee which Dr. Gour suggests will not be such an effective weapon as the one we have proposed, because in the first place, retrenchment ought to be made by Government itself, and they ought to have a chance of setting to the work seriously, but if afterwards we find that we have not achieved much in the desired direction, it is perfectly open to the Assembly to ask for a Committee, but for the present give the Government every chance of effecting retrenchment on which they are very keen."

Sir Frank Carter while heartily supporting the resolution, dissociated himself with the observation of Dr. Gour regarding military expenditure. He thought the British Army had been



reduced considerably and the effect of further reduction would be very serious, because when civil disobedience was being talked of it was necessary that the Army should be maintained to protect Government against the people of this country. There were other fields for retrenchment especially as regards contracts. He knew a bit of sugar contract. (Laughter.) "We want a Committee of this House. I don't think the appointment of a single officer with four non-officials associated with him is sufficient".

Mr. Rangachari was surprised to see Sir Frank Carter stating that the Army must be maintained for the protection of the Government against the people of this country. Armies were maintained all over the world against external aggression, and this was the first time he heard the suggestion in this House that Army must be maintained to defend Government against the people of country. He emphasised that no Army should be maintained to protect Government against the people. On the other hand, they must see that the people formed part of the Government.

The resolution was then put and carried without a division.

#### DELHI—6TH FEBRUARY 1922

##### Esher Committee's Report

There was a question in the name of Sir Sivaswamy Iyer on the Assembly's recommendation on the Esher Committee's report. The reply to this question, ran thus : As regards the two particular matters, to which the Hon. Member refers, the Government of India have been, for some time past, in communication with the Secretary of State on the subject of admission of Indians to the Commissioned ranks of artillery and other arms of His Majesty's Forces, and the question of the form of Commission in Indian Territorial and Auxiliary Forces is also the subject of correspondence with the Secretary of State. No final orders have yet been received on either subject.

##### Indians in Kenya

Mr. N. M. Sarmath moved for the adjournment of the House to consider a matter of definite and urgent public importance relating to the grave position of Indians in Kenya on account of the recent pronouncement of Mr. Churchill at the East African Banquet and the immediate action the Governor-General-in-Council should take in the matter.

The President pointed out that the resolution in the name of Mr. Agnihotri raising the same subject in general terms had already been set down for discussion on the 9th instant. Mr. Samarth's motion was thus anticipating a substantial proposition which had already been ballotted. He therefore refused to allow a discussion.

The Assembly proceeded with the transaction of Legislative business. On the motion of Sir William Vincent the House took into consideration the Bill to amend the Provincial Small Causes Courts



Act and the Code of Civil Procedure in order to provide for award of costs by way of damages in respect of false or vexatious claims or defences in civil suits proceedings.

The Assembly passed the Bill to amend the Benares Hindu University Act as passed in the Council of State.

#### Indentured Emigration

The House then began discussion on the report of the Select Committee on the Emigration Bill. The report of the Select Committee was not unanimous in all respects. Messrs. Rangachari, Joshi and Laxmi Narayan had each appended a minute of dissent. The object of the Bill was to prevent indentured emigration and to provide for machinery for control of emigration in future. A number of amendments were moved first by Mr. Joshi who wanted to limit the life of the legislation to 5 years only, because it was dictated by political conditions which would rapidly improve in the interests of labourers who did not like that there should be placed on the Statue Book permanently an Act which restricted legitimate freedom of action of laborers.

The amendment of Mr. Joshi was put and rejected. After more than twelve other amendments had been disposed of, the Bill was passed as it emerged from the Select Committee.

DELHI—7TH FEBRUARY 1922

#### Suppression of Traffic in Women

The Home Member moved the resolution on the suppression of the traffic in women as adopted in the Council of State, but with a small amendment. The amended resolution ran as follows :

This Assembly recommends to the Governor-General-in-Council that India do sign the International Convention for the suppression of traffic in women and children accepted by the Assembly of the League of Nations at its Second Session subject to the reservation that, in supplying Article 5 of the Convention, India may, at its discretion, substitute 16 completed years of age for 21 completed years of age.

Mr. Joshi moved an amendment that the words "subject to the reservation" be omitted. The object of this resolution was that protection should be given in India also to girls up to the age of 21. He said there was not much force in the argument that girls in India attained maturity at an early age of 16. Indians did not want to take advantage of the reservation proposed by the Home Member. The amendment of Mr. Joshi bringing the protection of girls and women till the age of 21 even in India was pressed to a division and lost, 24 voting for and 32 against it.

The original resolution of the Home Member was then put and carried.



## Amending Civil Procedure Code.

Lala Girdharilal Agarwala asked the House leave to introduce a Bill to amend the Code of Civil Procedure. The only object of the Bill was to extend the privilege of appearing without Vakalatnama or power of attorney to all legal practitioners of High Courts and Chief Courts which had hitherto been enjoyed by Barristers and certain Advocates only. Mr. Agarwala said that his proposition would in no way degrade the position of Barristers. Leave was given for the introduction of Mr. Agarwala's Bill.

DELHI—8TH FEBRUARY 1922

## Arms Rules

Baba Ujjagar Singh Bedi moved: "This Assembly recommends to the Governor-General-in-Council that he may be pleased to appoint a Committee with a non-official majority to examine the new Arms Rules, 1920, and to submit their report before the next session, making specific recommendations with a view to further amend them."

Sir William Vincent signified his readiness to accept the terms of the resolution, although not for the reasons advanced by the mover and his supporters in favor of the motion. He said that the Government was quite prepared to have the rules examined by a Committee subject to the principles that (1) there shall be no racial distinction and (2) that power must be retained to prevent arms from falling into undesirable and lawless hands.

The resolution was put and unanimously carried.

## Martial Law in Malabar

Rao Bahadur C. S. Subramanyam moved:— "This Assembly recommends to the Governor-General-in-Council that he may be pleased to withdraw the administration of Martial Law in Malabar in the Madras Presidency and further to state what arrangements are intended to be made for the future administration of the Martial Law area of Malabar till normal conditions are restored."

There was a long discussion over the matter, the Malabar Members speaking strongly in favour of the resolution. Mr. Muhammad Schamnad, a Mopla Member, said that he had visited Malabar a fortnight ago. One feature of the Martial Law administration was the burning of thousands of Mopla houses by the police and the military. In one village alone he could count more than 100 houses burnt by road side only. The rebellion was started as a joint concern by some Moplas, Nairs, and others of the Non-Co-operation party. Mr. Schamnad observed that all that they read in papers was only one side of the question. The train tragedy, the refusal of relief to the Mopla sufferers and the burning of houses even



in villages where there were no disturbances at all, were acts in pursuance of a policy of exterminating the Moplas. Mr. Schamnad recounted the sufferings of the Mopla refugees who, he said, were not given protection and help, while thousands of Hindus were receiving relief from the District Congress Committee. What was urgently needed was the opening of the ordinary course of law and the cessation of further arrests if they wanted to solve the question. They must enter it without any spirit of retaliation and prejudice. The three things necessary for the improvement of the affected area were compulsory education, introduction of more liberal and up-to-date land tenure system and the opening up of the country by railways. All these could be settled only on the report of an independent commission which must be appointed by the Government of India.

Mr. Zahiruddin Ahmed supported the resolution. In his opinion Martial Law ought to have been withdrawn long ago. The Government had done in Malabar such atrocities as had been perpetrated by Nadir Shah in Delhi. Mr. Ahmed thought that the stories about Moplas published in the Government Communiques were all exaggerated.

Dr. Gour, who moved an amendment proposing to ask for a judicial enquiry into the administration of Martial Law, in Malabar, said that after listening to the debate he felt that his information about the situation in Malabar was not correct. He would not therefore move his amendment, because the necessary atmosphere for the holding of such an enquiry had not yet come about. He very much deprecated irrelevant notes struck during the course of the debate by those who had talked about conditions in the whole country rather than Malabar, and had urged the Government to take stern measures for the maintenance of order. He asked Mr. Subramaniam to follow suit and withdraw his proposition.

Sir William Vincent, in a long speech, made an important announcement about Government's future policy with regard to the Martial Law area. The Home Member first thanked Mr. Subramaniam for doing a public service in bringing forth his resolution; which had enabled the Government to put forth their view, and had also given an opportunity to the House to know the conditions in Malabar. He repudiated the allegations made by the mover against the Madras Government, "On the other hand," added the Home Member, "I think the Madras Government behaved throughout with the utmost propriety in the administration of Martial Law, which has been singularly successful. When I went down to Malabar to see if I could be of any assistance to the officers on the spot, throughout my tour in that district I was satisfied that there were no complaints against the administration of Martial Law. The only complaint was that it was too lenient." The Home Member paid encomiums to Colonel Humphreys, Mr. Evans and other Civil and Military Officers who had worked under great hardships and amidst constant dangers to their lives. The House would do well to pay a tribute to the great work done by those officers instead of attacking them,



Coming to the subject of the resolution, the Home Member said that on the 26th February the Ordinance sanctioning Martial Law would expire, and Martial Law would automatically cease. The Government was aware that normal conditions had not, and by that time would not be, restored. Two or three Mopla leaders were still out for mischief, murdering, looting, and converting people. He had heard, with great astonishment, Mr. Zahiruddin Ahmed denying these conversions. If Mr. Zahiruddin had gone to the West Coast, he would not have dared to make a statement of that sort. The problem before the authorities was to ask Hindus and local Moplas to return to their homes. But in the difficult circumstances, while recognising the desirability of not continuing Martial Law in full operation, the Madras Government felt that it was quite impossible to carry on under ordinary law until normal conditions were restored. It was, therefore, absolutely necessary that the Local Government should be given some extra authority to protect the people.

Sir William said : "What we purpose to do is that on the expiry of Martial Law we will issue another Ordinance which will give the Local Government power to make certain orders and regulations which are regarded as necessary for the protection of those unfortunate people who are returning to their homes and for the maintenance and restoration of law and order. What we want to do is to instil confidence and induce Hindus to return to their homes, and afterwards withdraw the troops gradually as the conditions improve."

He said that another difficulty was that a large number of cases had not still been disposed of. For their control they proposed to substitute in place of existing tribunals Courts of Civil Magistrates, summary Courts of Special Magistrates, and Courts of Special judges. There will be right of appeal. These conditions, he was sure, would satisfy all members of the Assembly.

The Home Member refuted several allegations of Mr. Schamnad. He said that Mr. Schamnad had never left his place to go to the affected area to see for himself the conditions, and had now come forward to make serious allegations which were entirely groundless. For instance, it was alleged, some Hindu Nayers were the cause of the outbreak. He asked Mr. Schamnad candidly to tell him whether he believed that statement. The fact was that the unfortunate Moplas were misled by their religious priests. The speech of Mr. Hasrat Mohani as President of the Muslim League at Ahmedabad characterised the rising as a Muhammadan revolt for the protection of the Khilafat. It was, therefore, quite obvious that the Khilafat agitation fostered by the religious preachers of the Moplas was responsible for the rebellion. Of course, some Hindu Non-Co-operators were also spreading the movement, although they were never aware that it would result in the conversion of Hindus to Muhammadans. But the main leaders were the Khilafat preachers. The Home Member was glad that Dr. Gour had withdrawn his amendment for a Committee of Enquiry, because for obvious reasons it could not be held at present. The Government did not think there was any necessity for such a Committee. There were no allegations that Martial Law was abused, although he was quite prepared to make enquiries about any specific matters. There was no basis for an enquiry, and the appointment of a Committee would, therefore, mean a slur on those officers who had been attempting to do their duties in the very difficult circumstances. The Home Member said : "From all I have seen or heard and read, I feel that martial law has been administered with the utmost consideration, and that this House will be satisfied with the information I have given to the Hon. Members."

When the Home Member resumed his seat, there were cries addressed to Mr. Subramaniam to withdraw. Thereupon, Mr. Subramaniam asked leave of the House to withdraw his resolution.



DELHI—9TH FEBRUARY 1922

## Enquiry into Medical Training.

Colonel Gidney moved: "This Assembly recommends to the Governor-General-in-Council that he may be pleased to appoint a Committee of professional experts half to be obtained from the United Kingdom in consultation with the General Medical Council and the other half from India to tour India and to enquire into the training that is obtained in various medical and surgical institutions, both official and non-official, and to submit recommendations with a view to bringing the Indian institutions in all respects on a level with those of the United Kingdom and thereby create in India a suitable field of recruitment for its entire Medical Service."

After a short discussion the resolution was rejected.

## Indians in Kenya.

Mr. Agnihotri moved: "This Assembly recommends to the Governor-General-in-Council that he do represent to the Imperial Government that the failure on the part of the Imperial Govt. to meet the lawful and modest claims of Indians for equality of status of the British subjects in all parts of Africa will be regarded as a serious violation of the equal status promised to Indians in the British Empire."

He said that British rule in India had been described as full of breaches of promises or interpretation of promises in favor of the Whites. However, the resolution of the recent Imperial Conference for equality of status in all Dominions, except in South Africa, had a wholesome effect in India. It was thought that the interests of Indians in the Colonies would be safeguarded and equal status granted to them. Little did they expect that Mr. Churchill would make another breach of promise and by a tactless and unsympathetic speech shock India. The people were inclined to think that, after all, the Non-co-operators were not wrong in distrusting British statesmen. He stated, at great length, the whole history of emigration of Indians to Africa, their domicile in that country and their rights and disabilities. He said that Indians, to whom was due the development of the Union, deserved better treatment than what the retrograde report of the Asiatic Enquiry Commission had tried to justify. The position of Indians in Africa had become intolerable, and the Colonial Office had, as usual, added another insult to injury through Mr. Churchill's speech. Flimsy grounds like sanitation and difference in social condition should not be allowed to deprive Indians of their cherished and fundamental rights. He paid a great tribute to the noble efforts made by the Government of India on behalf of Indians.

Mr. Samarth moved an amendment by way of addition of a clause to Mr. Agnihotri's resolution by asking the Government to



cable to the Secretary of State and through him to bring to the notice of the British Cabinet the Assembly's feeling of indignation at the pronouncement reported to have been made recently by Mr. Churchill at the last African dinner in London. Mr. Samarth delivered a strong speech. He refused to believe that Mr. Churchill's pronouncement was the considered decision of the British Cabinet, for he could not conceive the Imperial Government betraying so completely their solemn promises.

Sir Frank Carter said that he very much sympathised with the natural aspirations of Indians, and was sorry to disturb the harmony of the House by striking a different note. But he thought facts should be stated at present. In East Africa there were about 35,000 Indians and 9,000 Europeans. Forty thousand square miles were set apart for Whites and 2,00,000 for Indians. So the proportion of distribution was quite fair. Europeans were the pioneers in Kenya. It was their capital which had developed the country and they were entitled to say in its settlement. Lord Esher and Lord Milner had promised them the Highlands, and they did not want that Indians should buy their lands. (Cries of "why"). Perhaps, he could ask why Europeans were not allowed to buy land in Kashmir. (Voices : But that is not British Territory.) Apart from that Indian settlers did not want the Highlands. Only a few agitators, such as Mr. Gandhi, had created the trouble, and the House should not back up Mr. Gandhi of East Africa as it would not back up Mr. Gandhi's vagaries here. Moreover, the present Non-co-operation movement was having a very deterrent effect on the aspirations of Indians, and all Dominions were afraid lest their equilibrium be disturbed. He said : "I think, unless we can put our house in order in India, we cannot expect other parts of the British Empire to give us what is our due. Until then we cannot expect the Colonies to treat us as trustworthy parts of the Empire."

Mr. Jambadas Dwarkadas regretted Sir Frank Carter's attitude on a question of such vital importance to the self-respect of India. He regretted all the more that Mr. Churchill had, by his speech, only co-operated with Mr. Gandhi in giving him further material for setting fire to the house.

Mr. Spence associated himself with the expression of opinion given by Sir Frank Carter. He said the real position was that Lord Esher and Lord Milner had promised to reserve the Highland for Europeans, and under that promise the British soldiers and officers who had fought gallantly in the war went to Kenya to settle in that region. Was it fair that the British Government should break its promises and deprive these settlers of the Highlands? After all, the Whites of Kenya were a small community, and he should have preferred if they had tried to see that Indians in South Africa were granted equal rights. The position in South Africa should have been made the test of the truth of the professions of equal partnership of Indians.



Mr. Ishwar Saran recounted the common story of how a lamb drinking water at a stream was devoured by a wolf. Although Indians were in East Africa long before the Whites went there, the latter were now claiming that they were the pioneers and as such were entitled to a better share of the land. He was sure that Mr. Spence was not right in stating that Indians wanted to deprive the Whites of their rights. They wanted only a little share in the lands which the Europeans thought must not be infected by the Blacks. He had heard Sir Frank Carter begin with sympathising with the aspirations of Indians. Of course, that was now-a-days the approved style of speaking (laughter), especially with Government Members who always began with sympathising and ended with "but." (Laughter.) Sir William Vincent was particularly accustomed to that sort of argument. (Laughter.) He thought once that Sir Frank Carter had spoken the perfect truth when he said that it was only by putting our house in order that Indians could expect respect outside India. The problem of Kenya was the real test to find whether the talk about the equal partnership was a camouflage or a reality.

Dr. Gour characterised the postprandial effusion of Mr. Churchill as a somersault intended to safeguard the interests of White settlers as against Indians. It was, indeed, strange that that benefactor of mankind had found support in Sir Frank Carter and Mr. Spence. The connection between Mr. Gandhi's Non-Co-operation and the rights of British Indians in Kenya was as intimate as Mr. Gandhi's relation with the sunspots. (Laughter.) If India was to be a home of the Britisher, let the Britisher admit that the Indian had an equal right of settling down in any part of the British Empire. That was the fundamental law and the basic principle which must be made clear.

After Mr. Sarma on behalf of Govt. had explained at length what they were doing in the matter of Kenya, the resolution was amended. The resolution, as finally adopted unanimously, ran as follows:

"This Assembly recommends to the Governor-General-in-Council that he do represent to His Majesty's Government that any failure in His Majesty's African Territories to meet the lawful claims of Indians for equality of status with all other classes of His Majesty's subjects will be regarded as a serious violation of the rights of Indians to citizenship which were recognised and affirmed only so recently as of the Imperial Conference of 1921, and in particular that he do cable to the Secretary of State for India and through him bring to the notice of the British Cabinet the emphatic protest of this Assembly at the pronouncement reported to have been made recently by the Right Hon. Winston Churchill at the East African Dinner in London."

DELHI—11TH FEBRUARY 1922

#### Indianisation of Services

Mr. Jamnadas Dwarkadas moved a resolution for the Indianisation of the Services. This resolution was moved by him on the 29th September in Simla, but owing to want of quorum the discussion on it was postponed. The resolution runs:—



"This Assembly recommends to the Governor-General-in-Council that having regard to the Declaration of August, 1917, he be pleased to arrange that, in future, recruitment for All-India Services, excepting those of a technical character, shall be made as far as possible in India and also to take steps to provide in India such educational facilities as would enable Indians to enter these technical services in large numbers than is at present possible."

He said that his resolution did not introduce racial question, because it did not exclude any race. It only wanted the barrier in the way of Indians to be removed. He would, therefore, regret very much if the members who had given notice of amendments pressed for communal ratios in the recruitment. He appealed to the House to get rid of communal fever and to let the Services be open to the best brains as the result of competition.

Sir William Vincent gave a lengthy reply promising to consult the Local Governments on this question and to forward to the Secretary of State their opinions as well as those of the Government of India in a reasoned despatch which would take into consideration the various points raised in the debate. He said :—

Under the existing constitution His Majesty's Government and Parliament were to judge the pace at which the Indianisation of the Services ought to proceed. It had been suggested that the Indianisation had not been actively supported by the Government of India. But it must be remembered that the active proportion of Indians in the Civil Service was 33 rising to 43, in the Police Service it was 38, in the Forest 52, Education 50, Agriculture, Engineering and Civil Veterinary also 50 each and the Medical Service about 40. These figures would illustrate that, since the announcement of August, 1917, a very great advance and a real advance had been made by the Government. The Home Member quoted figures to show what had so far been done by the Government to effect the gradual Indianisation of the Services between 1897 to 1918. The total recruitment of Indians, he said, was 66, while others numbered 960 in the Civil Service. The recruitment of Indians between 1917 to 1921 had been 59 against 126 others. But in 1921 there were 37 Indians against 38 others, which means practically up to 50 per cent. In the Indian Medical Service the number of Indians admitted during the six years between 1910 to 1915 was 40 as against 112, and in three years, 1919, 1920 and 1921 the figures were 78 Indians against 43 others which gave a proportion of over 50 per cent. In these circumstances the Home Member asked, was it right, was it fair to say that the doors were closed for Indians? Sir, the character of the Service has changed so much that many Europeans, full of energy and anxiety to secure efficiency in the administration, are hesitating to come in the present atmosphere of hostility in which our officers have to work.

A voice : No.

Sir William Vincent : Who has got the audacity to say no? I declare that every District Officer now is performing the most ardent and the most difficult duties under insuperable conditions. I do say that Officers now-a-days are subjected to constant attacks in the Press and on the platform. In this connection I am glad to say that the Ministers have generally supported the Officers in the execution of their difficult and dangerous duties. The District Officers are also not without anxiety as to the security of their pensions in the future. We have before us proposals of premature retirement on pensions. Already



we have 40 applications for retirement from two services alone, and many persons have taken leave preparatory to retirement. It does seem to me that every man has a right to know whether the people of India want the services of Englishmen or not. If they do not, let them say so and face the consequences. The present condition of service in India is affecting requirement; see that for the last examination 86 candidates turned up, of whom 26 were Indians. There were 16 vacancies and 3 Europeans were among the successful candidates and 18 Indians.

Several members including Mr. Seshagiri Iyer, Dr. Gour and Mr. Samarth strongly supported the motion inspite of all the objection of Sir William.

Khan Bahadur Abdur Rahim Khan moved an amendment to the effect that in any scheme of Indianisation communal interests must be safeguarded.

Mr. Zahiruddin Ahmed, in the course of a humorous speech, gave his sympathy but not his support to the resolution. Amidst laughter he described India as consisting of two cats who were fighting for the cake of cheese, the monkey (British), who had the qualities of the lion and the fox, intervened and distributed the cake in such a way that two-fifths went to the bigger cat, one-fifth to the smaller cat and two-fifths it kept to itself. The monkey had not deceived them although his fox nature was proving troublesome. If the monkey withdrew, the two cats would fight and the bigger would kill the smaller. The result would be that the wolves of Japan and the wild cats of Afghanistan would come upon the surviving cat and would devour her. This, he said, would be the position of India if the British left her.

The Home Member moved an amendment that enquiries be inaugurated without delay from Local Governments as to the measures possible to give effect to the Declaration of the 20th August, 1917, in the discretion of increased recruitment of Indians for All-India Services. Several other amendments were proposed but were all negatived and Mr. Dwarkadas accepted the Home Member's amendment. The resolution, as amended by Sir William Vincent, was finally put and adopted. The resolution, as carried, reads :

"This Assembly recommends to the Governor-General-in-Council that enquiries should be inaugurated without delay from Local Governments as to the measures possible to give effect to the Declaration of the 20th August, 1917, in the direction of increased recruitment of Indians for All-India Services and also that steps be taken to provide in India such educational facilities as will enable Indians to enter the technical services in large numbers than is at present possible."

• DELHI—13TH FEBRUARY 1922

On the Assembly meeting on the 13th the House asked the Government to cable Home immediately their complete confidence



in Mr. Montagu as a counterblast to the vote of censure on him which is to be discussed in the House of Commons next day.

#### Interpellations

At question time, replying to Mr. B. R. Singha, Sir William Vincent said that the Government were considering the subject of abolition of the Posts of Divisional Commissioners, but that the question of abolition of posts of Superintending Engineers or Sanitary Engineers was not being considered.

Replying to Mr. S. P. Bajpai, the Home Member said that the result of the voting on Mr. Ginnwala's resolution for making the whole budget votable had been wired to the Secretary of State who had been asked to obtain the opinion of Law Officers of the Crown on the point at issue.

#### E. I. Railway Strike

After interpellations, Lala Girdhari Lal Agarwala asked for leave to move an adjournment of the House to discuss the strike situation in the East Indian Railway. This was not allowed but Col. Waghorn made a statement regarding the strike exonerating the European fireman who had assaulted Nandlal, the Indian fireman.

#### Confidence in Mr. Montagu

Mr. Jamnadas Dwarkadas, in moving the adjournment of the House for the purpose of discussing the proposed vote of censure on Mr. Montagu in the House of Commons, said :

"This House is probably aware that an attempt is being made in England to pass a vote of censure on the Right Hon. E. S. Montagu. As a matter of fact, Sir Joynson-Hicks, a Member of Parliament, has already given notice of a vote of censure which is to be discussed in the Parliament to-morrow. So far as feeling in India is concerned, I make bold to say that any attempt at passing a vote of censure on Mr. Montagu will be met in India with the greatest opposition, for, I think, I am expressing the views of the Members of the Assembly, and not only of the members, but of a large portion of the public, when I say that in the opinion of India Mr. Montagu has proved to be the greatest Secretary of State. It is due to Mr. Montagu that England and India have been drawn closer, and to-day, if sensible opinion in India has shown itself willing to work the constitution for the purpose of achieving Responsible Government, it is mainly because of the confidence that they have in Mr. Montagu's policy. Only the other day in this House we discussed the subject of Mr. Churchill's speech. We find Mr. Montagu answering Mr. Churchill and saying that he will support the view of the Government of India and of the Indian people. Mr. Montagu has gone further, and said that neither riot nor revolution will interfere with his policy of Reforms in India. We will only be acting in our own interests if we avail ourselves of this opportunity of expressing our sense of satisfaction at Mr. Montagu's splendid work for India. We know that his heart beats as much for India as the heart of the most patriotic Indian, and we have perfect confidence in Mr. Montagu and his policy."

Sir William Vincent said that the Government, being subordinate to the Secretary of State, was very unwilling to ask the Chair to allow a discussion on the motion. He said : "I gather that it is the desire of the majority of this House that a communication should be sent to the Secretary of State expressing confidence of



this Assembly in him (hear, hear), in view of the notice of a motion of censure in Parliament in reply to the King's speech. Perhaps, it may meet the case if I undertake to send to-day a clear line message communicating that opinion to the Right Hon. the Secretary of State for use in such manner as he may think it possible. The Hon. Members will see that Government being subordinate to the Secretary of State it is quite impossible for us to take part in this matter. Perhaps, it will meet the Hon. Members' wishes and avoid further discussion if I undertake to cable the confidence in the Secretary of State of the majority, if not the whole of the non-official members of the Assembly." (Cries : All).

In view of Sir William Vincent's assurance, Mr. Jamnadas asked for the withdrawal of his motion, and he hoped that the Home Member would send to the Secretary of State the full report of the day's proceedings on this question. The Home Member agreed to the suggestion.

#### Criminal Law

On the motion of Sir William Vincent, the Assembly passed Bills repealing certain special enactments supplementing the ordinary Criminal Law and Part I of the Criminal Law Amendment Act, already passed in the Council of State, and designed to give effect to the unanimous recommendations of the Repressive Laws Committee which was presided over by Dr. Sapru.

#### Standing Orders

Sir William Vincent moved that the report of the Select Committee on the Assembly's Standing Orders be taken into consideration. This Committee was presided over by Sir Frederick Whyte and had recommended several changes in the existing Orders in order to facilitate the transaction of business in the Assembly.

On the suggestion of Mr. McCarthy, the Select Committee recommended that a question which quoted anything from a newspaper or mentioned the name of a newspaper would be disallowed on that ground. The amendment was, after a heated debate, put to vote and negatived by 40 votes to 31. Thus the attempt to deprive the members from quoting the name of a newspaper in their questions was rejected by a majority of nine.

Another proposal which the Assembly carried was the addition of a new clause which the Select Committee had not contemplated. Sir V. Thackersey moved that if on a particular day two similar motions stood in the name of two members who had precedence in the order of priority may, with the permission of the President, authorise the other member who also had a similar motion to move that resolution.



## The Council of State

DELHI—13TH FEBRUARY 1922

### Passengers in Cattle Trucks

On Feb. 13th. Mr. Lallubhai Samaldas moved that steps be taken immediately to put a stop to the practice of Railways conveying human beings in cattle trucks or goods waggons.

Sir Maneckjee Dadabhoy supported the mover but in view of the difficulty of Railways to find a sufficient number of Waggons, he proposed an amendment that the words "as far as practical" be added. Several members supported the amendment.

The Commerce Member, too, in urging the members to accept the amendment, pointed out that in principle there was no difference of opinion at all between the mover and the Government. Railways did not themselves like this practice of conveying passengers in waggons, but the Council must recognise that the occasional use of waggons in special cases was unavoidable. Government, however, issued instructions to all Railways that even in special cases, where the objectionable practice existed, efforts must be made to avoid the evil complained of. It must not, at the same time, be forgotten that there was the danger of pilgrims being attacked with cholera unless the Railways sometimes resorted to the use of waggons for clearing the crowd until such time, at least, when the rolling stock, which fell short of their requirements during the War, had considerably increased in the years to come. In conclusion, Mr. Innes said: Every Railway administration is now considering the question in the light of the recommendations of the Railway Committee, and the Government could give these Companies the money as recommended by the Railway Finance Committee. 'I am sure', he said, 'the state of affairs will considerably improve. Therefore, I say, give us time and give us money and I promise that in 5 years time, there will be great improvement not only in this matter, but in respect of every other matter where the country has got complaints to make.'

The resolution as amended was then carried.

### Military or Strategic Railway Lines

Lala Ram Saran Das moved that in future a separate revenue and expenditure account should be kept of the working of military or strategic railway lines, that the losses connected with the working of these Railways should be debited and the profits if any credited to the Military Department, and that the capital outlay on new lines or works of this nature should be debited to the Military accounts. He referred to the feeling of Indians in this matter, and urged that the Government of India should make known to the public the extent of gain or loss on Railways which are intended for strategic and military purposes. The capital outlay on some of the strategic lines in the Frontier had a deadening effect on the North-West Railway and the net loss on Military lines in 1919 was Rs.



84,71,000. Surely when so much money was being spent on non-commercial purposes it was no wonder that the North-West Railway could not ever pay their working expenses.

Sir Maneckjee Dadabhoy agreed with the first part of the resolution, and opposed the second part which, he said, raised a problem bristling with technical difficulties to decide which a commission must be appointed.

Mr. Cook, the Finance Secretary, speaking on behalf of the Government, pointed out that the cost on strategic lines was only Rs. 22 crores out of a total capital charge on State-owned lines of Rs. 503 crores, and explained that some of these strategic lines were really very remunerative. He agreed that a separate revenue and expenditure account should be kept on the working of Military or strategic railway lines, but it must be remembered that it was impossible to classify all expenditure strictly by the object which they were intended to serve. As regards the second part of the resolution, Mr. Cook observed that the question being very difficult it was not advisable for this Council to decide off-hand. There was already the Acworth Committee's report which stated that the whole of the Railway estimates should be separated from the other accounts in the budget. The Railway Finance Committee, which sat in Calcutta had already considered very important matters connected with the Acworth Committee's recommendations, and the Government now proposed to reconstitute that Committee in such a Central Advisory Committee on such large questions as were raised by the debate. The Committee would consist of a majority of non-officials from the members of both the House of Legislature, and Mr. Cook, therefore, advised the Council to be patient for a few weeks by which time the proposed the Committee would be appointed.

The resolution was put in two parts. The first portion was put and carried, and the remaining portion was pressed to a division and lost, 18 voting against and 16 for.

#### E. I. Railway Strike

Mr. Raza Ali moved for an adjournment of the House to discuss the grave situation that had arisen on account of the strike on a large section of the East Indian Railway and the threatened strike on other railways. The motion excited a keen debate, and after Mr. Innes, on behalf of the Government, had explained the causes of the strike, the motion was eventually talked out. Mr. Raza Ali explained how the strike which extended from Kalka to Mogulsarai and south to Jubbulpore, dislocating all traffic, had arisen because an Indian fireman, named Ramlal was wantonly assaulted by a European fireman, and the authorities callously disregarded the former's complaint. Such cowardly attacks on Indians by Europeans, though very common in past, both on passengers and member of the Railway staff, had to be put a stop to. Mr. Zulfikar Ali Khan, in supporting the mover, gave an instance of bad treatment he himself had received at the hands of the Railway authorities. The upper House, however, was hardly the place for treating the issues raised by the question



fully and Mr. Innes readily satisfied the Council that such racial matters should not be ventilated.

#### **Pilgrim Traffic to Mecca**

Mr. Maricair moved that early steps be taken to open the port of Madras for the pilgrim traffic to Mecca and other places. He said that Muhammadans of the Madras presidency and the Straits had to suffer in inconvenience of going to Bombay for embarkation. It was unfortunate that the Madras Government had not done anything and so he urged the Govt. of India to accept the resolution which was put and carried.

## **The Legislative Assembly**

*DELHI—22ND FEBRUARY 1922*

In reply to Mr. Misra, Sir Sydney Crookshank said that out of a staff of 155 men engaged in the Telegraph Department on wireless none was an Indian. The percentage was : Europeans 46 and domiciled Europeans 54, Indians nil.

In reply to a question by Mr. Misra, Sir Sydney Crookshank said that the Government had received an application from an Indian financier for license to work wireless telegraph direct between India and England. The Government did not want to disclose at present the name of the applicant or his terms. The applicant had specified that Messrs. Marconi's Wireless Telegraph Company would erect and work ten wireless stations for him.

After question time, Sir William Vincent read, amidst applause, the Secretary of State's reply to the Assembly's vote of thanks given on the 13th instant on the eve of the censure debate in the House of Commons. Mr. Montagu's message, as read by the Home Member, ran thus :

"Please convey to the non-official members of the Legislative Assembly my grateful thanks for their inspiring message. I can only show my thanks for their confidence by continuing to do my best in the service of India."

#### **Indian Limitation Act**

Proceeding to Legislative business, the whole House passed, without discussion, a Bill amending the Indian Limitation Act and took into consideration the report of the Select Committee on the Bill to amend Provincial Causes Courts Act and Civil Procedure Code, in order to provide for the award of costs by way of compensation in respect of false and vexatious claims of defences in civil suits or proceedings. This Bill was first introduced in the Assembly on the 1st March last year, and as a result of the changes advocated by the Select Committee, it was withdrawn on the 25th January, 1922. The Bill was amended in the light of the report of the Select Committee and was re-introduced. It went to a second Select Committee, which had made some changes in it. The object of the Bill was to provide more effective means of meeting the great



evil arising from the institution of fraudulent and dishonest suits by empowering Courts to award compensatory costs in fraudulent suits. The bill was finally passed.

The Assembly then proceeded to discuss the Joint Committee's Report on the Delhi University Bill, and after some discussion of amendments proposed by Sir D. P. Sarbadhicary and Mr. Neogy passed the Bill finally.

## The Council of State

*DELHI—22ND FEBRUARY 1922*

On the Council of State meeting on 22nd February, after questions had been answered, Mr. Sethna moved a resolution desiring to convey to Her Royal Highness Princess Mary the humble expression of the Council's sincere congratulations on the occasion of her marriage and of her future happiness.

### Indian Judges of High Courts

Mr. Sethna moved that early steps should be taken to increase the number of Indian Judges of the High Courts and Chief Courts and also of Indian Judicial Commissioners to, at least, 50% of the total number of such appointments. He said that if in the premier service, the Indian Civil Service, they started with 33% and raised it by 1·5 per cent, if even in police service it was proposed by degrees to raise the percentage of Indians to 32% then, he contended, that in the higher Judicial Service they must have at least 50% Indians almost immediately. Taking together all the Judges of the High Courts, Chief Courts and Judicial Commissioners, it was found that there were now only 23 Indians as against 55 Europeans, the Indian percentage being only 29. This was certainly a most unsatisfactory condition and must be put an end to by materially curtailing and generally abandoning the recruitment of Judges from the Indian Civil Service, and also by steadily increasing the appointments from the Bar as was the practice in England. In the Dominions and in the United States, Civil Servants as a rule did not receive the necessary training, nor had they the same necessary qualification to become High Court or Chief Court Judges or Judicial Commissioners, and Mr. Sethna, therefore, contended that the Government must, in the near future, restrict their selection to the legal profession exclusively. The Indian element of the legal profession had so grown in numbers and efficiency that at almost all important centres the predominance of English Barristers was just disappearing. Efficiency would not be impaired. On the other hand, it would be enhanced by the appointment of Indian



Judges who, being familiar with local conditions, understood the witnesses and parties appearing before Courts better than the Civilians. With the growth of an increasing and powerful legal profession and the development of a comprehensive system of law judicial work had become so highly specialised and complex that the exclusion of Civilians from the Judiciary had become an imperative necessity. Mr. Sethna had the support of the House, only Sir Umar Hyat opposing.

Mr. O'Donnell assured the Council that consultations with the Local Governments and High Courts would be made as rapidly as possible and on the receipt of their opinions the Government of India would take the subject into consideration at the earliest possible moment. In view of this assurance Mr. Sethna withdrew his resolution.

#### **Customs Duty on Road Metal.**

Mr. Maricair moved that customs duty levied on road metal imported from Ceylon for the use of roads maintained by local bodies be cancelled in toto, or reduced to 50 per cent of the existing rate.

Mr. Lindsay, the Commerce Secretary, said that, while local bodies paid eleven per cent on road metal, there were considerably low rates of duty for other articles like girders, steam rollers, etc., which were also essential for the municipal administration. If the tax on road metal was cancelled or reduced to fifty per cent of the existing rate, there was no knowing where they were to stop, because Corporations, Port Trusts and such other bodies, who were equally in need of financial assistance, might ask for the removal of the tax on articles used by them and in that way the Customs revenue would be greatly affected. Mr. Lindsay, therefore, undertook to forward a copy of the resolution with the opinions of local bodies thereon to the Fiscal Commission which, according to the terms of reference, was entitled to examine the tariff policy of the Government of India.

Mr. Kale and Sir Dinshaw Wacha supported Mr. Lindsay's suggestion of referring the whole matter to the Fiscal Commission, and Mr. Maricair also agreed and withdrew his resolution.

#### **Manuscript in British India.**

Dr. Ganganath Jha moved that steps be taken for carrying on a systematic search for manuscripts in British India and for the acquisition of transcription of such as may be available. After Mr. Shafi had explained the Government attitude the motion was withdrawn.

#### **Railway Management.**

Mr. Sethna then moved that notice be given to the East Indian



and the Great Indian Peninsular Railway Companies to intimate that on the expiry of their present contracts the same will not be renewed, and that arrangements be taken in hand for the management of these Railways directly by the State after the expiry of the existing contracts.

He said that there were at present in India three railways which were both State-owned and State-managed, namely, the North-Western Railway, the Oudh and Rohilkand Railway and the East Bengal Railway. There were eight more which were practically owned by the State, but managed by Companies. These were East Indian, the Great Indian Peninsula, the Bombay-Baroda and Central India, the Bengal-Nagpur, the Asam-Bengal and the Burma Railways. Of all the references made to the Acworth Committee the most important was in regard to the future management of these eight railways. Five members of that Committee, including the President, were in favour of State management, while the rest being interested persons were in favour of Company management. The Company management of State-owned Railways was not a private enterprise by any means. The total investment of the State-owned but Company-managed Railways was £261·5 millions and the subscribed share capital only £24·5 or only about nine per cent, the remainder being loan capital and Government capital invested either at fixed interest or on profit-sharing terms. Where else could they find a Company in which 91 per cent, of the share-holders depute their rights to the remaining nine per cent, and that was exactly what had happened in the case of these eight railways. The Council would thus see that a shareholder in these railways was not a shareholder nor the Company, and the same thing applied to the debenture-holder of an Indian Railway, for there were no trustees for debenture-holders having a charge on the Railway Company with the right to foreclose in case of non-payment of principal or interest. The Indian public opinion was that State-owned but Company-managed railways had been run against Indian interests. If they were run by the State, the Legislature would compel the State to purchase stores as far as possible in this country. They would see that the number of Indians were considerably larger, and many other advantages would follow, particularly the improvement in the comforts of third class passengers. He said that the East Indian Railway handled the bulk of coal trade in the country and was the best paying of all railways. Why should, he asked, the State give over the management of its best railway to others who worked more for their own benefit than for that of the State? It was time, therefore, that the Legislature decided without any hesitation about the State taking over the management of this railway, which was the most important trunk line of State railways. As regards the Great Indian Peninsula Railway Company, Mr. Sethna said that it had been unduly favoured at the expense of the Indian tax-payer. That Company did not bring in any new capital, but by an artificial system of capitalising a fraction of the annuity and the creation of capital stock was issued to the amount of one and three-fourth millions. The least that the Government could now do was to serve notice on both the Railways, the E. I. Railway and the G. I. P. Railway. Their contracts should not be renewed in 1921 and 1925 respectively.

In view of the assurance that this question of State management would be referred to a Central Advisory Council, Mr. Sethna withdrew his resolution, hoping that there would be no further extension of contracts to these Railways, and that before the existing contracts would expire the Advisory Council would have decided to their future management.



*Indians in State Railways.*

Mr. Kale then moved that early steps be taken to increase the number of Indians in the higher grades of service of State-managed railways and devise means to secure the adoption of a similar policy by Companies managing State Railways.

Mr. Innes said that, as far as State Railways were concerned, there was no necessity for the Government of India to lay down such a policy, because that was already their policy. But railways must be run on strictly commercial and business lines and efficiency must be their paramount consideration. The Government would try their best to see that all railways follow the policy of Indianisation of their higher services, subject to the condition that efficiency must be their paramount consideration in railway matters. The Government would readily accept the spirit of Mr. Kale's resolution. Mr. Innes then promised that, as soon as he would find time, he would personally look into the matter with a view to ascertain how much had been done and what more was possible in the desired direction and would also take the advice of the Central Advisory Council in this matter.

Mr. Kale accepted the assurance of Mr. Innes. The resolution was then put and carried.

*Sterling Loans.*

Mr. Samaldas moved: "This Council recommends to the Governor-General-in-Council that he may be pleased to convey to the Secretary of State for India in Council the following expression of its opinion:—(a) That the conversion rights offered with the last 7 per cent sterling loan were unnecessary and that they needlessly increase the permanent debt of this country, (b) that in future loan issues the Secretary of State should consult and act up to the advice and recommendations of the Government of India, and (c) that all issues should be simultaneously offered for subscription in this country on the same terms."

The resolution was opposed on its merits by Mr. Cook. It was in effect, he said, a vote of censure on the Secretary of State when really there ought to be a vote of appreciation! There had been no issue of any Indian sterling loan and since then monetary and political conditions in the United Kingdom and in India had undergone fundamental changes. The London Market had been practically closed to the Dominion Governments all through the War and no one could say what view the money market would take about India. The whole outlook was thus obscure when the Secretary of State by issuing that loan raised India's credit. Every one knew full well that India must, for many years, be a very large borrower in sterling when they considered their capital liabilities and the demands on their expenditure. He did not think it was exaggeration to say that their future trade and industry were dependent to a considerable extent upon the amount of money India could raise in outside markets, especially in England. The loan proved that the London money market was still the largest in the world. If the loan had failed, it would have been a bigger set-back in the



London money market when the news of the unrest in India reached England some time ago. Mr. Cook, therefore, asked the House to consider the fact of India's financial credit having been raised in England on account of the loan, and deprecated any attempt at a practical vote of censure.

Mr. Samaldas declared that the Secretary of State and his adviser must be made aware of the feelings of the country in the matter. Mr. Cook read a letter to show that the rapid success of the loan had done Indian credit good. The resolution was put in three parts and carried. Mr. Cook pressed for a division in respect of the first part which was carried by 14 votes to 13.

## The Legislative Assembly

DELHI—23RD FEBRUARY 1922

### The Bardoli Decision

On the Assembly meeting on the 23rd February Sir Jamsetjee Jeejeebhoy asked :

(A) Has the attention of the Government been drawn to the resolution passed by the Working Committee of the Congress at Bardoli, (B) In view of these resolutions will the Government be pleased to state what their policy is in regard to the Non-Co-operation movement ?

Sir William Vincent replied that the Government have seen and considered the resolutions referred to. They can discover in them no indication of any fundamental change in the attitude and policy of the Non-Co-operation party. Whilst Civil Disobedience is to be postponed for the present, there is no suggestion that it should be definitely abandoned as an item in their programme. On the contrary, the clear intention of the resolution is that this step should be merely suspended till the ground has been adequately prepared for its inauguration on a large scale. Though volunteer processions are temporarily to cease, the enrolment of volunteers is to continue and to be speeded up. The seditious propaganda which has been carried on throughout the country since the inception of the movement is in no way to be abated and the continuance of attempts to reduce Government servants from their allegiance is specifically provided for. The resolution thus points merely to a temporary change in the tactics of the party and not to any reversal or radical alteration of its aims which are directed as before to the subversion and paralysis of the lawfully constituted Government of the country. The Government of India desire to make it clear that unless and until there is a complete cessation of the illegal activities of the Non-Co-operation movement there will be no change in their own attitude. In regard thereto, I am to add that these activities have already produced a serious situation which may at any moment eventuate in bloodshed and disorder.

### Industrial Scholarships.

Mr. Samarth moved his resolution recommending that not less than six lakhs of rupees be set apart every year from the central revenues to provide for the education and training abroad of Indian and Anglo-Indian youths in the following subjects :—Ship-building, ship-engineering, oceanography, wireless telegraphy, gunnery and other modern weapons of warfare, industrial chemistry in all its branches, theoretical and practical mining and metallurgy, geological surveying, electric, with special reference to hydro-electric, engineering and the application of electricity in agriculture, making and canning fruit preserves, condensed milk, milk products and concentrated foods, cottage industries, organising and working of distributive co-operative stores and co-operative



unions and such other subjects as the Assembly from time to time deem essential for the needs of India.

The mover emphasised that the educational problem of the country was a national one and it was necessary for modern national growth that education should be given to youths in all branches of science and everywhere. He instanced the educational scheme which was inaugurated in Japan and which in two years brought about such a national growth and upheaval and ultimately distinguished itself in the Russo-Japanese War. He, therefore, wanted that his countrymen should rise to that standard and asked Government to send suitable candidates to foreign countries and promote education in a manner a national Government would adopt. The speaker said that political domination was an evil and to depend for everything on foreign countries was equally an evil. He was one of those who would forget the past errors of Government and would see that in future things went as the best interests of India demanded. He did not believe in 'Ahimsa' and going centuries back to lead a life of simplicity. (laughter.) They belonged to the modern world and must try to learn what the world had to teach them.

Mr. Chatterjee, Secretary for Industries, expressed his surprise at Mr. Samarth, a champion of constitutional law, bringing forward a resolution which concerned provincial transferred subjects. The resolution could either be taken as touching educational or industrial development and both these subjects were provincial. However, Government was glad of having an opportunity to affirm the very keen interest it was taking in the industrial development of the country. Last year in Simla Ministers in charge of Industries and Directors of Industries came from all Provinces and sat in a Conference. The report of their meeting would show that popular Ministers were not only anxious for the continuance of the technical scholarship which the Government of India have been providing for the last 20 years, but desired to extend them wherever possible. The Provincial Governments were already doing their best. They knew their requirements and were accordingly sending students abroad for training. The Central Government should not step in when the Local Governments were discharging their obligations satisfactorily. But the main policy of Governments, both Provincial and Central, was to provide adequate facilities in India for the training of Indians in all those industries which are at present established in this country and which are likely to be established in the near future. Local Governments such as Bengal, United Provinces, Behar and Orissa and the Panjab had already taken steps in this direction. The Government of India was also starting institutions for training in mining, geology and leather manufacture. The policy of sending Indian students abroad was not the proper solution. Touching the subjects enumerated in the resolution Mr. Chatterjee said that in the case of several of these such as cottage industries, organisation and working of the distributive co-operative stores, there was absolutely no necessity for Indian students to go abroad for education in them. As for ship-building he was sure that the students getting education in this subject would be merely wasting their time and energy, because there being no ship-building industry in India their services could not be utilised. Concluding, Mr. Chatterjee said :— "The policy of giving technical scholarships has been followed by the Government of India for the last twenty years. It is still being pursued by Provincial Governments. It will, therefore, be superfluous on the part of this House to intervene in a matter which is manifestly the business of Ministers of Provinces and in which it will be unconstitutional on the part of the Government of India to spend money from central revenues. Moreover, the members are also aware of the present financial stringency. I hope Mr. Samarth will not press his resolution "

The President said that if as pointed out by Mr. Chatterjee the recom-



mentation of the resolution was unconstitutional he doubted whether the Assembly could proceed with its discussion.

Mr. Samarth challenged the accuracy of Mr. Chatterjee's statement.

Mr. Innes quoted the devolution rules to show that certain subjects were provincial.

Mr. Samarth counter-quoted also from the devolution rules to show that the subjects brought forward by him were either central or could be declared central by the Governor-in-Council as relating to research.

Mr. Innes said that Government had no intention of declaring them as such.

These quotations and counter-quotations continued for some minutes, but eventually both Mr. Innes and Mr. Samarth agreed that out of the subjects touched on in the resolution some were central and some provincial, while the remaining could belong to either. The discussion on the resolution was then continued.

Col. Gidney was glad that Mr. Samarth had included Anglo-Indian lads among Indians who would benefit by being sent overseas. He deprecated Government's attitude by always bringing in questions of provincial and central subjects. It was time that this was stopped. He reminded the House that the Japanese who were once backward were now one of the advanced nations of the world as a result of the wide technical education which the Japanese youth obtained abroad.

Sardar Gulab Singh urged that the lads who were sent overseas should, on their return if duly qualified, be employed by Government wherever possible. He moved an amendment to this effect which after some discussion was adopted by the House.

Mr. Kamat wanted to move an amendment which desired the addition of a clause demanding the establishment of a central technological institute in India. The President ruled the amendment out of order as extending the scope of the original resolution.

Mr. Kamat, then, speaking on the motion explained his point of view. He said that, while he favored Mr. Samarth's suggestion, he was convinced that the only, and, in fact, the real solution of the problem was the establishment of a well-equipped All-India Technological Institute where a large number of Indians would receive education in all technical subjects, so that they may take charge of industries in India and foster them on healthy lines. The institute would not cost more than one crore of rupees and if the Government favored its creation it could see it through within the next three or four years. When they were spending crores over buildings in new Delhi they should be able to set apart funds for an essential item in nation-building. Mr. Kamat added that his demand was supported by the Industrial Commission which had laid down that in future there must be started a central institute of the kind desired by him. The Government must look ahead and take a broader view of the problem.

Mr. Innes endorsed the views expressed by the previous official speaker. He pointed out that Industrial Commission had recommended that scholarships should not be awarded for industries not existing in this country. The resolution of Mr. Samarth contained such subjects, training in which would be of no use to Indian boys. He did not think the mover contemplated that in order to provide employment to Indians trained in shipbuilding the Government should launch upon a big and expensive programme of ship-building. He said the present policy of Government was to leave to provincial administrations award of scholarships according to their respective requirements. The Central Government would on its part confine its attention to starting technological institutes as far as possible.

Mr. Samarth, replying to the debate, asked the House not to be misled by the assurances of the Commerce Member. In order to start institutes they



would require crores of rupees and it would be long before these would come into being. In the meantime he wanted that some money should be spent for educating Indian lads who might get their education in time for taking charge of institutions which would spring up in the future. This was what Japan did and India should take lessons from that great eastern Power.

The resolution of Mr. Samarth, as amended by Sardar Gulab Singh's amendment, was then put and carried without division, Government opposing.

#### **Military Officers and Civil Posts.**

Mr. Ishwar Saran moved that the members of the Foreign and Political services as well as Military Officers should not be appointed to judicial or administrative posts in British India. He said his main objection was that men recruited and qualified for a particular service should not be called upon to do duties other than those for which they were eminently fitted. It was unsound and unwise to employ a soldier and diplomat of the Political Department to fill judicial and administrative office. Not only these officers could not well perform a work for which they were not specially qualified, but that in many cases the officers were called upon to hold offices which could better be filled by men drawing less salary and doing better work. The cadre of Foreign and Political Department and the Army list revealed a large number of highly paid officers filling civil (judicial and administrative) posts. His main object was that in the interest of efficiency and economy the Military and Foreign and Political departments should not employ expensive officers who were not required by those departments for their use. The Government must overhaul its machinery before it was too late.

Mr. Denys Bray, the Foreign Secretary, in strongly opposing the resolution said that it was only because officers of his department were very well-fitted for administrative and judicial posts that they were called upon to fill them ! Surely, it would not be just to restrict the scope of appointment to which an officer should rise by his ability. In the case of some Frontier districts the Deputy Commissioners were men of the Political Department, because if they were Civilians, then the Government shall have to appoint in addition to the Deputy Commissioners another Political Officer to look after political work. That would not be economical although the overburdened Political Officer would welcome such a separation. The mover's speech suggested that the Government was appointing to civil posts military officers who had finished their military service. The fact, however, was that although these officers started their careers as soldiers they were soon transferred to the Civil employment for which they were considered eminently qualified ! Mr. Bray thought that it was the fashion of the day to declare that the Government did not know its business. Some members were desirous that the North West Frontier Province should be re-amalgamated with the Punjab, and Balu-



chistan with Bombay. He said the question of the Frontier would soon be examined by a Committee, but the House should remember that if re-amalgamation took place they would be forced to recruit military men to the Punjab Commissions, because only military officers were fitted for administration.

Mr. Abdul Rahim (North West Frontier) strongly opposed the resolution and said that it was in the Foreign and Political Department that people gained knowledge and experience and if members of that Department were kept away from these administrative posts the Government would be deprived of efficient service.

Sir Sydney Cruickshank said that most of the engineering schemes in India were drafted and carried out by military engineers. Their valuable services were lent to Civil departments and it was out of question that these engineers who have given their best service should not be appointed to administrative posts. He, therefore, opposed the resolution tooth and nail from the point of view of military engineers, not on their behalf, but in the interests of this country which he himself had served as a military engineer !

Mr. Gulab Singh, while supporting the resolution, refrained from depreciating the services rendered by military officers in the past.

Sir Godfrey Fell opposed the attempt to preclude the employment of military officers in any administrative posts. He reminded the House that during the Great War many young men joined the Army ; not because they wanted a career in the Army, but simply in response to the patriotic call. On the conclusion of the War the Government was faced with these surplus young officers who were not required in the Army and numbered between two to three thousand. The Government was in duty bound to explore all avenues of employment in civil capacities for those men who would have joined similar posts if they had not joined the Army. It should not matter as to which department an officer belonged, but the material issue was his competence to undertake the job.

After two and half hours' discussion the House rejected Mr. Ishwar Saran's resolution by 33 votes to 18.

### The Council of State

*DELHI—23RD FEBRUARY 1922*

On February 23rd the Council of State passed the Indian Lunacy Act and then took up the Income Tax and Super Tax Bill as passed by the Legislative Assembly. Some minor amendments were made and one important change which evoked a good deal of discussion. This was an amendment brought by Sir Arthur Froom that the exemption of assessments in case of life insurances



should apply to adult male members and not to any male members. This was passed (sss Page 561).

### Protest Against Mr. Churchill's Speech.

Mr. Samaldas moved: "This Council recommends to the Governor-General-in-Council that he should communicate to the Rt. Hon. the Secretary of State for India the strong feeling of resentment roused in this Council and in the country generally by the speech of the Rt. Hon. Winston-Churchill delivered at the East African Dinner in London, and that in the opinion of this Council any further restriction on Indian immigration into East Africa or any differentiation against Indians as such with regard either to the ownership of land or the franchise or any extension of such differential treatment to Indians in the mandated territory of Tanganyika will be inconsistent with the principle underlying the resolution passed at the last Imperial Conference regarding the status of Indians in the Empire."

The President ruled the second part of the resolution out of order in view of the fact that an identical motion had been debated at great length in the September session of the Council, in Simla. He, therefore, allowed discussion only on the first part relating to the Rt. Hon. Winston Churchill's speech.

Mr. Sethna and Mr. Samaldas explained the difficulty of confining themselves to discussing only the first part of the resolution when the Rt. Hon. Winston Churchill's speech touched the point contained in the second part.

The President pointed out that this Council could not re-argue a resolution already passed, and adhered to his ruling.

Mr. Samaldas, in moving the first part of the resolution expressing the strong feeling of resentment aroused by the Rt. Hon. Winston Churchill's speech, wanted from Government information as to what action had been taken by them on the resolution passed in the September session. Mr Churchill's speech, he said, had created resentment in this country as also in Africa and urged the Government of India not to adopt a tone of apology, but a tone of firmness in cabling to the Secretary of State the strength of feeling in India on a matter on which Indians were not prepared to compromise. He examined the electoral rules in East Africa and the language qualification required there, and remarked that all the requirements were put forward to prevent Indians from entering the Colony.

No less than eight non-official members including Sir Dinshaw Wacha, Mr. Sethna, Mr. Khaparde and Mr. Kale supported the resolution. They all recognised the efforts of the Government of India in the matter, but pointed out that if now the British Cabinet were to uphold what threatened to be the final view of the Colonial Office then it would be tantamount to an act of betrayal.

Mr. Sarma, on behalf of Government, accepted the resolution as there was no difference of opinion between them and the Council in this matter. He informed the House that the resolution passed in the Council in September was duly communicated to the Secretary of State as representing the unanimous views of the Council. The Council, Mr. Sarma observed, need not be afraid of Mr. Churchill's speech at the East African Banquet, because Mr. Montagu had stated that it did not represent the views of the British Cabinet. The Government of India did not mean to go back upon the policy of free emigration of Indians for settlement in Self-Governing Dominions and India could, therefore, justifiably look for fulfilment of the hopes and expectations that had been raised in this matter with regard to Crown Colonies and Protectorates in British possessions. The old policy under which Indians could freely migrate and settle down there also still remained in effect. Lord Chelmsford had taken a firm stand in declining to be a party to the rights of Indians being frittered away



and had insisted upon equal rights being given to all His Majesty's Indian subjects. Lord Reading had adhered to that attitude and Mr. Sarma, therefore, denied that there had been any weakening on the part of the Government of India in their advocacy of Indian rights. It might be that for the sake of harmony and peace and for the sake of solidarity of the Empire the India Office might have to give in on one or two points but in essential matters of principle there would be no departure, because that would be not only immoral but suicidal. The revenue Member, therefore, advised patience, and asked the House to rest content in the conviction that Great Britain would never conscientiously do any injustice.

Mr. Samaldas briefly replied and the resolution was then carried.

#### Emigration Laws

Mr. Sarma next moved for the consideration of the Bill to amend the law relating to emigration as passed by the Legislative Assembly. He explained the salient features of the measure, and emphasised on the resolve of the Government to take the advice of the Legislature in future on all matters relating to emigration.

Mr. Maricair and Mr. Samaldas welcomed the Bill. Further consideration was then postponed.

#### DELHI—27TH FEBRUARY 1921

On Feb. 27th. the Council of State met to discuss non-official business. Lala Sukhbir Singh moved a resolution recommending to the Governor-General-in-Council to reduce substantially the contribution payable by the U. P. Government to the Central Government under devolution rule 17 in the year 1922-23 and to extinguish it as soon as possible within three years.

Mr. Kale moved an amendment to the effect that substantial reduction be made in the contribution payable by the United Provinces Government to the Central Government under Devolution Rule 17, as also in the contributions of other Provincial Governments who have suffered by the scheme of financial redistribution carried out under the Govt. of India Act, 1919, at as early a date as practicable.

Mr. Lloyd of Madras expressed the strong feelings of the Madras Presidency in this question, and said that his province was more hard hit by the Meston award than the United Provinces. The Madras Government lost about a crore of rupees revenue from excise on account of the Non-Co-operation movement, and it was apprehended that the loss would be even more under that head in the coming year. If, as the Finance Secretary stated, there would be a reduction in the case of Madras contribution to the extent of ninety-six lakhs, it might be some relief, but it would not be quite satisfactory.

Mr. Cook said that he would be quite prepared to accept the resolution if it was amended as to suit the wishes of the mover as well as Mr. Kale. He, therefore, proposed by way of an amendment to the whole resolution that the Provincial contribution, as fixed by



the Devolution Rules, should be reduced in the manner specified in these rules and finally extinguished at as early a date as possible.

Mr. Sukhbir Sinha : Then what about the claims of the United Provinces ?

Mr. Cook : I have already said that under the Devolution Rules the Madras, the United Provinces and the Punjab will get the first benefit.

Mr. Sinha said that he would now move an amendment to Mr. Cook's amendment with a view to bring the claims of the United Provinces to prominence. The President then asked him to produce the amendment.

Mr. Sinha, at this stage, began to draft his amendment in conjunction with an official of the Legislative Department. Meanwhile, the President put to vote Mr. Cook's amendment, which was carried. The resolution of Mr. Sinha, as amended by Mr. Cook, was then put to vote and carried, while Mr. Sukhbir Sinha was still drafting his proposed amendment.

The President then called upon Mr. Khaparde to move his resolution. Mr. Sukhbir Sinha, who was evidently surprised, asked the President : "What is to happen to my proposed amendment" ?

The President, amidst laughter, pointed out that he (Mr. Sinha) failed to bring it in time. The action of the President was discreditable.

Mr. Khaparde then moved the following resolution :

That this Council recommends to the Governor-General-in-Council the desirability of introducing the constitutional practice of voting an address after the speech from the Throne, which in India would be the speech of His Excellency the Viceroy opening a session of this Council and the Indian Legislative Assembly.

Sir Arthur Froom moved an amendment urging the desirability of introducing the constitutional practice of a general discussion on the topics raised by the Governor-General's speech at the opening of each session of Legislature in so far as those topics are open to discussion by the Council.

Sir William Vincent, in opposing pointed out that the position of the Legislature here differed entirely from that of Parliament. In Parliament the Address was not written by the King but the Cabinet was responsible. Here the Viceroy was in a dual capacity, and could speak on a subject beyond the cognisance of the House. The Viceroy could not come down to the Council to defend his speech, and there ought not to be a voting on his address in his absence. It was never the intention of the statute that the Viceroy's speech should be debated in the Council or in the Assembly. If it was, then it would render His Majesty's representative open to censure, and he would be prevented from delivering address to the legis-



lature. Moreover, the Standing Order prohibited any personal reflection on the Viceroy, and if there was to be a debate without reflections on his attitude and conduct, it was not proper for the Council to arrogate to itself a right to criticise the Viceroy for the action done by him in exercise of his statutory functions.

The amendment of Sir Arthur Froom was put and lost. The resolution of Mr. Khaparde was put and also lost by 23 votes to 7.

## The Legislative Assembly

DELHI—27TH FEBRUARY 1922

### Political Offenders

Sir William Vincent laid on the table the following statement which he had promised some days ago in reply to Mr. Neogy's question. The resolution referred to the general purport of suggestions made to the Local Governments by the Government of India with a view to securing uniformity in the treatment of persons convicted under the Seditious meetings Act and the Criminal Law Amendment Act, Part I in different Provinces. The sentences awarded for similar offences in different Provinces and even in different courts in the same Province vary very greatly. The Government of India recognise that in some localities the severe sentences, passed on a few leaders and others who were arrested immediately after the Act of 1908 was brought into force, have had the effect of checking the activities of the Volunteers, if not altogether, at any rate for the time being. On the other hand, in some places many of the persons convicted have been released under the orders of the Local Government before they have served the full term to which they had been sentenced. The Government of India would be glad if Local Governments would consider whether it is not possible to have the sentences already passed carefully examined in order to secure some uniformity and also to ensure that where the penalties awarded are unduly severe they are reduced. Leaders who are responsible for the present condition of affairs and are, in fact, promoters of the campaign against the Government, of course, deserve more severe punishment than their immature and ignorant followers. It is, of course, within the competence of the Local Government to reduce or commute any sentence where such a course is desirable. The question of awarding sentences of rigorous imprisonment to many of these offenders also requires consideration. Although they recognise the danger that a universal rule of simple imprisonment for all persons convicted under the Act of 1908 and under the Seditious Meetings Act might tend to increase the number of those who court arrest, the Government of India believe that in many cases sentences of simple imprisonment or even fine would meet the requirements of justice. Where sentences of rigorous imprisonment are required, the Government of India think that many of the offenders of this character might not unreasonably receive a different treatment from that accorded to ordinary criminals in the matter of labor, food, clothing and other privileges. They believe that, in many Provinces, this principle is followed. As to persons under trial, it would probably meet all requirements if the Public Prosecutor was to make clear that in the case of minor offenders Government were anxious to vindicate the authority of the law rather than to see the offenders punished with excessive severity and where the accused are mere lads who have clearly been carried away by youthful enthusiasm, a fine or even a warning, where a promise of amendment is forthcoming, might be more suitable than a sentence of imprisonment, but where a fine is inflicted every effort should be made to realise it.



## Income-tax and Super-tax

Sir Malcolm Hailey moved that the amendments made by the Council of State in the income-tax and super-tax Bill as passed in the Assembly be taken into consideration. The Finance Member said that out of the five amendments made by the Upper Chamber, four were minor and only one was important. The House agreed to the four minor proposals of the Council of State but hotly debated at length the important change by the Upper House in respect of a minor of Hindu joint family which the House had previously rejected. After about a dozen speakers had represented their view, the House, by a majority of three, voting being 36 against 33, rejected the amendment of the Upper House and stuck to its gun. This was the first time in the life of the new Legislature that a difference in the two Chambers had gone to this stage. The point of dispute was that the Assembly, when it first discussed the Bill, amended it so to ensure that among the exemptions in the case of life insurances any sum paid to effect an assurance of life of a minor member of Hindu undivided family shall be exempted. The Council of State introduced a change in this amendment by confirming the exemption to adult and not minor members of the Hindu family.

Mr. Rangachariar, Dr. Gour, Mr. Samarth, Mr. Subramanyam, Mr. Ramji and Mr. Chowdhuri Sahab-ud-din explained how the position originally taken up by this House was a sound one. In the case of Hindu undivided family they should not differentiate between adult and infant members, because the latter was as much entitled to the exemption as the former. Mr. Rangachariar and Dr. Gour blamed the Finance Member for having induced the Council to effect a change which this House had deliberately rejected.

Sir Malcolm Hailey, however, denied the charge. He said that the interest of the general taxpayer dictated the position taken up by the Upper House.

The House agreed to the first reading of the Bill to regulate the employment of child labour in Ports in British India. The object of the Bill is to give effect to the recommendations of the International Labour Convention. Under this measure the Local Governments shall make rules prohibiting employment at piers and jetties of children less than twelve years old to handle goods other than goods which can be transported by hand.

## British Empire Exhibition

Mr. Innes next moved that necessary steps be taken and funds provided to enable India to participate on an adequate scale in the British Empire Exhibition to be held in London in 1924. He said that the idea was first conceived by the late Lord Strathcona in



1913, but the War prevented the scheme from coming to fruition. It was revived in 1919 and it was intended to hold it in 1921. But it was found that the date selected was too early. In 1920, however, affairs took a different turn and it was decided to postpone the date of the Exhibition and the whole scheme assumed a much more ambitious form. His Majesty the King Emperor had consented to become the patron of the Exhibition and H. R. H. the Prince of Wales to be the President of the General Committee. In response to an appeal from His Royal Highness that India and the Dominions should participate and give cordial co-operation, Sir William Meyer, the High Commissioner, at a luncheon, promised that India would do her best. Mr. Innes said that the arrangements were in charge of the Executive Council and India is represented on it by Mr. Montagu and the High Commissioner. The Commerce Member further stated that Provincial Governments had signified their intention that India should participate officially except Burma which expressed its inability to incur any expenditure. 'There is nothing of greater importance at the present juncture' loftily said Mr. Innes, 'than that we should do everything which lies in our power to uplift the status of India in the Empire and the world. India's reputation stands particularly high in the League of Nations. We hope soon to be declared as one of the eight chief Industrial States of the world. If we are not represented in the Exhibition, we lose an opportunity of proving our status both within and without the Empire. The expenditure for the purpose would be about Rs. 15 lakhs spread over three years.'

Mr. Rangachariar doubted the wisdom of agreeing to the huge sum of Rs. 15 lakhs when National departments like education were being starved and when participation in the Exhibition would do no good to India which cannot produce enough to meet outside demands. He wanted a Committee to examine the scheme before the House agreed to the huge grant.

Three speakers, Messrs. Kamat, Ramji and Subramanyam, expressed great surprise at Mr. Rangachariar's discordant note. They dilated upon the enormous advantages which every commercial man knows would accrue from the Exhibition.

Dr. Gour asked for an adjournment of the debate till some future date by which time the House would be in a better position to judge its ability to agree to the proposition. The House, thereupon, unanimously agreed upon the adjournment of the debate.

#### Traffic in Minor Girls.

Dr. Gour moved to enact a law prohibiting the wholesale traffic in minor girls for immoral purposes ostensibly intended as Devadasis, but in reality used for indiscriminate immoral purposes. He



briefly traced the history of the Devadasis custom that prevailed in many parts of India, particularly Southern India, and said that in many cases girls were purchased for dedicating to this purpose of immorality.

In the debate that followed, Mr. Rangachariar and Mr. Kamat thought Dr. Gour's statements much exaggerated. Dr. Sapru, on behalf of Government, counselled caution, as an attempt by Sir M. Dadabhoi to eradicate large scale prostitution before the War had ended in a fiasco. Eventually, however, Dr. Gour's resolution was carried by a majority.

#### *DELHI—28TH FEBRUARY 1922*

On the 28th. the Assembly met to conduct non-official business. After questions had been answered a very interesting question arose as to the power of the Assembly over the non-votable items of the Budget. Mr. McCarthy enquired if the Government had received the opinion of the Law officers of the Crown. Sir Malcolm Hailey replied in the affirmative and said that the latter's view was that it was not competent for the Governor-General to place on votes subjects which were by statute reserved from that vote. This statement raised an alarm and a volley of questions was directed on the Finance member from all sides of the House, which he adroitly evaded by giving vague replies.

#### **Civil Procedure Code**

Lala Girdhari Lal Agarwala moved that the Bill further to amend the Code of Civil Procedure in order to extend the privilege of appearing without *vakalatnama* or power of attorney to all legal practitioners of High Courts and and Chief Courts be taken into consideration. Dr. Sapru expressed sympathy with the object of the Bill, and pointed out that certain legal questions have to be cleared and that it would be better that they should agree to its circulation for eliciting public opinion. Mr. Agarwala agreed to the Law Member's suggestion which the House also adopted.

On the motion of Mr. Ramayya Pantulu the Assembly agreed to circulation for public opinion of his Bill which proposes to amend the Land Acquisition Act in order to provide against unlawful and vexatious acquisition of land.

Maulvi Abul Kassim next moved that his Bill which intends to give legal status to mukhtars be circulated for public opinion.

#### **Dealing with Political Agitators.**

Rao Bahadur T. Rangachariar asked for leave to introduce a Bill further to provide adequate safeguards against indiscriminate use of Sections 107 and 144 of Cr. Pr. Code in dealing with political



agitation. The operative clause of this Bill runs in all cases. When action is taken under these Sections against political agitators or public speakers or for dealing with or suppressing political and public meetings a report shall be made to the High Court within a week forwarding the record of the case, and it shall be competent to the High Court to alter or reverse such order, and the order shall be reserved whenever the Court is not satisfied that it was necessary to pass such an order for all or any of the purposes mentioned in sub-section (1).

Mr. Rangachariar said that of late there had been a number of cases under these Sections, and the abuse which the Government had made of these Sections made him feel that if they could be so used there was no necessity for the Rowlatt Act. When he approved resort by the Government to ordinary law in dealing with objectionable political agitation he never contemplated that Section 144 would be so much misused as several glaring instances proved. Whatever the effect of their use, he did not think they should make wrong use to get the right result. If, as he proposed, authority was given to the High Court to revise the orders the local Executive officers would act with caution.

The statement of objects and reasons attached to the Bill explains his point of view. It says that it has recently come to public notice that Sections 107 and 144 of the Code of Criminal Procedure have been availed of all over the country in some cases in a very novel and ingenious way for dealing with public speakers, public meetings, Volunteer organisations, use of National flags, or Khaddar clothes and similar matters. It is highly doubtful whether such use of the Sections was at all contemplated by the Legislature, and owing to the fact that the Non-Co-operators, against whom this use was made, would not take steps to question their legality, the orders continue unchallenged. Having regard to the fact that in all these cases the executive and judicial functions are centred in the same individual, it is necessary to provide a safeguard against the mis-use of these Sections. It is, therefore, proposed that in such cases report should be made to the High Court, to whom power is given to alter or reverse the order.

Sir William Vincent in a long speech said that he knew that the minds of many had been exercised over the use of Section 144. Some believed that it had been misused although, as a matter of fact, it was used in order to avoid the more drastic provisions of the Seditious Meetings Act. However, the point now was that taking for granted that the evil existed he thought that no worse remedy could have been proposed than that brought forward by Mr. Rangachariar. He then explained how the executive officer who had



to maintain 'law and order' had more often to act without any more evidence than his personal fears or police report. He went on in this strain, sure that the House would not favour the motion.

Mr. Rangachariar's motion was then put and the House rejected it by 36 votes to 28.

Dr. Gour introduced his Bill to define the liability of Hindu Co-partners.

The Assembly also agreed to the first reading of Mr. Kamat's Bill which intended to specifically lay down that a policy of insurance effected by a husband who is either a Hindu, Muhammadan, Buddhist, Sikh or Jain expressed on the face of it to be a trust for his widow. This Bill, Mr. Kamat said, would introduce uniformity of law on the subject throughout India.

The last motion stood in the name of Mr. Sohanlal who asked leave to introduce his Bill to amend Section 375 of I. P. C., so as to raise in case of rape the age of consent of the girl concerned from twelve to fourteen years.

The motion was then put, and although there were some dissentient voices the House agreed to the introduction of the Bill.

#### Appeal to Elected Members

That night the Democratic Party issued the following statement. A regrettable feature of the present session of the Legislative Assembly at Delhi from the people's point of view has been the continued absence of about 40 elected members who have failed to put in their appearance at Delhi. Of the elected members who have attended, there are about a dozen who vote invariably with the Government. The result has been that several times during this session the elected members have been defeated by Government with the help of elected members mentioned above. This happened when the resolution for the abandonment of the policy of repression was debated, and again to-day when Mr. Rangachariar moved for leave to introduce a Bill to authorise High Courts to review cases in which political workers or public speakers are proceeded against under Section 107 or 114, Cr. P. C., Sir William Vincent strongly opposed the introduction and succeeded in defeating the motion owing to the absence of those elected members who represent more or less the popular side in matters that come up before the Assembly. It is an open secret that the Budget that will be introduced to-morrow will show a large heavy deficit, and it is apprehended that it will contain proposals of fresh taxation or large loans or both. It is much to be hoped that every member will realise the gravity of the situation and be found at his post on duty.

#### The Council of State

The same day the Upper House met when some legislative business was done. The Emigration Bill was passed, Merchant Shipping Act Amend. Bill was introduced and the Dacca Universities Bill as amended by the Assembly, which evoked some discussion and several amendments to its various clauses, was then passed.



# The Financial Statement of the year 1922-23

*DELHI—1ST MARCH 1922*

In introducing the Budget for the years 1922-23 the Hon' Mr. W. M. Hailey, the Finance Member, said :—

It was my duty last year to place before this Assembly a Budget which exhibited a heavy deficit. I had to confront the House, at the very inception of its career, with one of the most difficult problems which can fall to the lot of a representative Assembly. The responsibility was heavy, for the world was watching to see how this, the youngest of Parliaments, would meet a test which might have strained the capacity of many an older institution. But those of us to whom the success of the reformed constitution had become an article of faith had no apprehensions ; and we were justified of our confidence. The House took up its burden in a spirit which in the common judgment of every serious critic at once sealed its position among the representative institutions of the world. It would have indeed been a welcome task, if I could have come before you to-day with the confident assurance that your courage had met with the success it deserved : if we could have told you that the steps you took last year had re-habilitated our finances and closed the gap between the income and the expenditure of the nation. But Providence has seen otherwise, and this Assembly again has to face the heavy responsibility of dealing with a situation of great financial difficulty. It is no secret that the incomings of the current year have fallen far below our expectations ; and as the House has probably already anticipated, the estimates for the coming year disclose a heavy excess of expenditure over revenue.

## **General Characteristics of the year.**

I come now to the details of our position, and will deal first with the general conditions which have falsified our estimates of revenue for the present year. What were the circumstances in which we budgeted last March ? The trade boom which followed the Armistice had definitely passed away and a heavy reaction had set in : but the future outlook was obscure and it was impossible to say what precise effect it would have on our revenues. We



budgeted in an atmosphere of trade depression, and our estimates allowed for a definite retardation in the normal growth which our revenues might otherwise have been expected to exhibit. But it was not possible to foresee that the depression of trade would reach such abysmal depths, not that its consequences would react so disastrously on our finances. I will take separately the internal and external factors. As to the former, the effects of the poor monsoon of 1920 continued to show themselves throughout the year 1924. Wheat rose to Rs. 6 a maund in January and to the almost unexampled figure of Rs. 8 and half per maund in December; Rangoon rice increased during the same period from Rs. 4 to Rs. 6-half, a maund. Not only did we have to continue the embargo on the export of wheat, but India became a heavy importer. Labour trouble at the collieries curtailed the raising of coal: we could only maintain the service of our railways by purchases of foreign coal at greatly increased expense and again of course with detrimental effect on our balance of trade. Thirdly, the conditions of the country have been such, partly economic and partly political, that there has been a complete stagnation of the ordinary activities of internal trade. I shall not dwell again now on the unfortunate series of events which led to the locking up of many million pounds' worth of imported goods owing to the inability or the failure of importers to take up their contracts. But whether this was due entirely to economic or partly to political causes, the event was typical of much of the history of internal trade throughout the year. Not even an unusually favourable monsoon in the autumn of 1921 has succeeded in solving a position due to the interaction of these double influences. Such were the internal conditions; I need not dwell at length on the external conditions. The prevailing depression in Russia and Central Europe, aggravated by famine conditions in the former country, continued to deprive India of the customers on whom in normal years she is wont to rely. How unstable was the basis on which our exports depended is shown by the history of our reviving trade with Germany. Exports to that country which averaged 1-half crores monthly during the period July-September collapsed with the catastrophic fall of the Mark of October and had fallen in December to only half a crore. Our exports, which had reached their height with 31 crores in March, 1920, had declined to 18 crores in March 1921 and reached their lowest point in June of last year with 16 crores. It is true that there was a recovery to 21 crores in December, but on the whole, greatly reduced as has been the scale of our imports, there is a total balance against us of 33 crores for the ten months ending January.



## Current Year's Revenue.

Let me proceed at once to give in figures the total result of these unfavourable factors. The budget estimates as finally passed provided for a small surplus of 71 lakhs, the revenue including new taxation being estimated at 121 and one-third crores and the expenditure at just over 127 and half crores. We now estimate that the revenue will be 108 crores or 20 and one-third crores less. I will take only the principal items. Under "Customs" we expected 37 and three-fourth crores; we do not now look to realize more than 33 and half, or a falling off of 4 and one-fourth crores. But for a heavy revival of the import of sugar in the autumn our total receipts would be even worse; indeed sugar has come to our assistance to the extent of 6 & three-fourth crores out of the 3-half. In "Taxes on income" we shall probably have to pay some heavy refunds, owing to adjustment of provisional assessments made on last year's profits, and taking receipts and refunds together, the income will fall short by 90 lakhs of the budget figure of 18.5 crores. "Salt" will be short by 80 or 90 lakhs of the expected figure of 7 crores, mainly owing to our inability to maintain a full supply of Northern Indian salt. "Opium" will be short by 70 lakhs on the expected total of 3.73 lakhs; clearly our customers in the Far East anticipate decreased consumption as the result of international action. I come now to our commercial departments. Naturally enough our "Railways" reflect the great stagnation of trade throughout the year, and in addition, the returns of the last few weeks have shown the effect of the recent strike. We expected to get gross receipts of 87 crores and shall have to content ourselves with 83. But the mischief does not end here, for far worse than the decline in gross traffic receipts is the increase in working expenses. Owing to short raisings of coal we have had to pay more for the Indian article, and to supplement the home supply by heavy purchases from abroad, and altogether the total excess of working expenses over the budget figure will be seven and one fourth crores. Allowing further for some falling off in the receipts from the sur-tax, the total worseness on the railway budget will be no less than 13 crores: and railways, after payment of interest charges will, for first the time for many years, be working at an actual loss, namely over 2.5 crores. Finally, there are the "Posts and Telegraphs." The gross revenue is about 1.5 crores less than anticipated, of which about 35 lakhs occur in the yield from the new rates approved by the Assembly last year. Here again, we have an instance of a large commercial department working at a deficit; the total loss to the general taxpayer on the combined department in the current year will be about 90 lakhs. The



combined effect of these items is to produce the falling off of 20 crores to which I have alluded.

#### **Current year's expenditure**

Then as to expenditure. As I have said, we expected to spend 127·5 crores. But we shall have to spend 2 crores more on account of the increase in "interest charges" due to the larger proceeds of the rupee loan realized by us this year and the increased borrowings undertaken in London. Under "military expenditure," it will be remembered that we allowed for 62·20 crores of which 3 crores was attributable to Waziristan and one crore to expenditure on demobilization. During the year, however, operations in Waziristan continued, contrary to our expectations, on the extended scale set up in the concluding months of 1920-21, and altogether our expenditure on operations in that quarter have cost us six three-fourth crores. I do not propose to analyse here in detail the remaining figures of military expenditure, they still contain abnormal features such as, on the one side, arrear claims from the War Office, and on the other, unexpected recoveries of arrears from the same source. There have also been very heavy increases in the cost of foodstuffs. It will be sufficient to say that on the whole, in spite of the increase due to this factor, and to the heavy excess on Waziristan operations, we have managed by careful control to keep the excess down to two three-fourth crores. The total therefore stands at 65 crores against a budget of sixty-two and one-fourth crore. No new permanent liability of any considerable amount has been added to the military charges in India with the exception of an enhanced scale of pensions for the families of Indian soldiers and the expansion of the Territorial force.

#### **Deficit of Current and Previous years.**

Altogether then our expenditure is somewhat over fourteen and one fourth crores more than we expected; and the total deficit will amount to no less than 34 crores. If you carry your minds back to the history of the last three years, the House will realize that this is now the fourth deficit in succession. In 1918-19 it amounted to 6 crores; in 1919-20 mainly due to the Afghan War, the deficit was 24 crores; our final accounts of 1920-21, swollen by many adjustments of arrear expenditure on the Afghan war and the Great war, showed a deficit of 26 crores. Adding the 34 crores to which I have just referred, the total excess of expenditure over revenue in the four years comes to 90 crores. I am not ready to explain to the House the methods by which we have during the past four years provided the money necessary for carrying on the administration, nor to dwell on the implication, to be drawn from this continued



succession of deficits. I have still to deal with the revenue and expenditure of the coming year.

## I.—Revenue

I do not know if there is any one here who would feel entitled to speak with confidence of the assumptions we shall make in estimating for budget purposes the character of the year on which we are about to enter. For myself, I can only indicate the main factors which have guided us. We have had a favourable monsoon and good winter rains; this in itself should bring down the price of food grains and help to rectify the balance of trade. On the other hand, the bazaar trade still has before it all the difficulties involved in the liquidation of the import contracts entered into two years ago, and the spectre of unrest looms before the trader, paralysing industry and benumbing enterprise. As for the outside world, the relative strength of India's position is of course largely due to her share of the world's staple requirements. It is true that overseas stocks of Indian goods are still large, but they have been much reduced during the course of the past year and foreign consumers have been forced to come to India to a considerable extent for their immediate necessities. Her raw jute and jute manufactures, though the period of boom has definitely passed, should still hold their own; tea and cotton have indeed recovered to an extent that we could hardly have anticipated last year. The total exports of India during December 1921 were higher than those of any month since September 1920. Although therefore stocks of India's commodities in India are high, the signs are not favourable. It is probable that the historian of the future, with a clearer perspective, will look on the year 1921 as the logical sequel to 1920. The latter year experienced the full force of the reaction from the feverish and unhealthy trade activity which followed the Armistice. This reaction showed itself in a collapse of the world's purchasing power, an unparalleled slump in prices and congestion of unsold and unsaleable stocks. In 1921 we had the beginning of the painful process of re-adjustment. We have already made some advance in that process, and the conditions of India are such that (if she can only maintain internal peace) she may reasonably expect to take an early share in the revival of trade.

### Estimates of Revenue for Next Year

I admit that the factors are obscure in many directions of great importance and they certainly do not encourage optimism. But, on the whole we seem justified in framing our budget estimates on the assumption that there will be some slight improvement over the trade conditions which have existed during the current year. I will take the main heads in detail. Under CUSTOMS we assume that the imports of piecegoods will be somewhat better than those of current year, and also that, as a result of the withdrawal of the restrictions on the export of Burma rice, the revenue from that export duty will now become normal. We have also assumed a moderate improvement in the exports of jute; on the other hand, we cannot expect that the imports of sugar will be on anything like the scale of the current year, though we have felt justified in taking an estimate of 4 & three fourth crores as against the 6 & three fourth crores likely to be received from that source this year. On the whole, we are assuming a net Customs revenue of 36.42 crores, nearly 3 crores in excess of the revenue which we are likely to collect in the current year. Then as regards TAXES ON INCOME, we expect an increase in the net demand in most provinces with the exception of Bengal, but on the other hand the figures of the present year have been swollen by large arrear collections, and in the net, allowing for refunds in respect of collections on



provisional assessments, we are assuming a total revenue of 19·87 crores, which is about a crore less than our probable revenue in the current year. Under SALT we have adopted an estimate of slightly over seven crores, practically the same as that of the current year's budget. Our receipts from the sale of OPIUM are now mainly derived from the direct supplies we make to foreign and Colonial Governments on the contracts now in force, and, except when new contracts are entered into, do not vary very much from year to year; our revenue from the auction sales is, however, steadily dwindling and we do not expect more than half a crore from this source, making a total revenue, inclusive of the revenue from excise opium, of approximately 3 crores. This is about 60 lakhs less than the current year's budget and about the same as the revenue we expect to get in the current year.

### **Railway Revenue**

In attempting to frame an estimate of net receipts from RAILWAYS we are met with two difficulties. In the first place it is difficult to say what will be the exact yield from the new goods rates which will be brought into force from April 1st next, replacing the present sur-tax. It is also difficult to say what the working expenses will amount to, as the coal market is in an abnormal state and a substantial increase or decrease in the cost of fuel will vitally affect the total. For GROSS TRAFFIC RECEIPTS we assume that the new goods rates will not yield less than 6 crores, and we think that an allowance of between 4 and 5 crores for normal growth in revenue is as much as can be justified. We think therefore that a fair estimate of gross receipts next year will be 93·5 crores. For WORKING EXPENSES we have taken the high figure of 68·5 crores on the assumption that fuel charges will remain high, and after making as much provision as possible for the replacements, renewals which, as everyone knows, are so badly needed on all our railways. On these estimates, the NET RECEIPTS next year will work out to 24·5 crores; after allowing for interest and other indirect charges which will amount to 26 crores, the railways will be working at a loss of over 1 crore. This is not the proper occasion for me to embark upon any discussion of the question how far the administration of our railway should, in any particular year, be carried on with the object of producing a profit to the general tax-payer. It is a matter regarding which one side of the question, and one side only, has been put forward with considerable force in the report of Sir William Acworth's Committee. The House is aware that the proposal made by that Committee to effect a complete separation between the railway and the general budget was duly considered by a Committee composed of members of the Legislature, whose report was published last December. That Committee decided that, whatever might be the theoretical merits of this question, practical considerations alone made it impossible to effect any such separation for the present. On one point, however, there can, I imagine, be no room for diversity of opinion, namely, that the railways must pay their own way.

### **Contemplated Increase in Passenger Fares**

For this reason we propose to take measures to increase the traffic receipts. The estimates which I have just given already take account of a substantial increase in goods rates in substitution of the existing sur-tax. The only remaining course therefore is to effect a material increase in passenger fares. An increase averaging about 25 per cent will, we estimate, produce an extra 6 crores of revenue. This will of course more than make up the estimated loss on next year's working, but we shall have to continue for many years heavy expenditure, debitable to the revenue account, on replacements and renewals.



while our enlarged programme of capital expenditure will involve a cumulative increase of interest charges for some years to come ; we, therefore, consider that we are justified in providing for some margin.

### Loss on the Postal Department

The remaining important head on the revenue side is POSTS AND TELEGRAPHS. I must first of all explain what we have done as regards the separation of capital expenditure from expenditure charged to revenue. The House will remember that the question was examined last March on the initiative of Mr. Samarth, when it was decided to transfer approximately 1 crore from revenue to capital as representing expenditure which was intrinsically of a capital nature. That transfer was made more or less summarily ; it was obviously desirable to keep on the right side, and not to debit to loan funds expenditure which was really of the nature of running expenses and would only have to be written back to revenue. We have subsequently made a more careful examination of the various items of expenditure, and as a result we have felt justified, in the revised estimates for the current year, debiting to capital a total amount of 128 lakhs. For the ensuing year, of the total estimated expenditure of 11 and one-fourth crores we find that we can justifiably take 1.45 lakhs to capital provisionally, pending of course the reconstitution of the post and telegraph accounts as a result of the investigation which has just been completed by the expert accountants who have been engaged on that work. With this division as between capital and revenue, we estimate that the expenditure chargeable to the revenue account next year will exceed the receipts by about 96 lakhs, after allowing for the debit of interest on the capital charge. This figure, however, does not include the cost of pensions on the one hand, and on the other credits for a certain concessional services rendered by the department to Indian States or foreign Governments. If we make adjustments on account of these items, there will be a further credit due to the department of about 17 lakhs, and, allowing for this, it may be said that during the current year the department has been working at a loss of about 90 lakhs, and that next year it will be working at a loss of about 80 lakhs. This has a very definite bearing on certain proposals that I shall shortly mention.

This closes my review of revenue for the coming year. Including the increase on passenger rates it should amount to sixteen and one-fourth crores ; without that increase, it would come to 110.5 crores as against a revised estimate of 108 crores for the current year. I come now to the expenditure side.

## II.—Expenditure

The first point I have to emphasise is that, as was the case a year ago, the demands of the various departments for the inclusion of items of new expenditure have been enormously curtailed ; in effect, we have made provision for no new expenditure which cannot be demonstrated to be of imperative necessity or likely to be immediately remunerative. Such items of new expenditure as have passed through the meshes of the Finance Department's net have further had to undergo the fire of the Standing Finance Committee's scrutiny before being embodied in the detailed estimates which are about to be placed in Hon. Members' hands. One head where the effect of this policy has been particularly marked is CIVIL WORKS. The figure entered is 166 lakhs, and I must point out that this is only just sufficient to cover maintenance, repairs and establishment charges and the carrying on of works already in progress, and that it makes practically no provision at all for new construction. I do not think I need refer to the details of the estimates entered for INTEREST ON DEBT, SINKING FUNDS and so forth, for such charges may be regarded as obliga-



tory. Hon. Members will notice in the detailed estimates a special expenditure of 60 lakhs under **POLITICAL CHARGES**; this is a tentative provision for a scheme for the better solution of political troubles on the frontier. It has not yet crystallised into a form which admits of the exhibition of full details. For the rest, the variations in civil expenditure are not large. There will be a saving from the cessation of **CENSUS OPERATIONS**, counterbalanced by certain additions to **INCOME-TAX** establishments, and a provision of 16 lakhs for various schemes of improvement at the **SALT** sources in Northern India which are of imperative necessity for the safeguarding of our salt revenue. Apart from the extra political charges and the other variations which I have just referred to, the civil heads show a small increase on the probable expenditure in the current year.

#### **Estimated Rate of Exchange for Next Year**

As regards **EXCHANGE** I may say at once that I see no indications, in the present conditions and outlook of our foreign trade, which would justify our assuming an average rate of exchange higher than 1s. 4d. during next year, and accordingly that is the figure upon which these estimates are based. In mentioning that estimated average rate I must again impress on the House that I am attempting no sort of prophesy regarding the future course of exchange, nor should anything that I say be taken as an indication of policy. It is of course unavoidable, for the purpose of the budget programme, to make some sort of assumption, however rough, as to the level at which exchange is likely to stand, taking the coming year as a whole. I have, as I have said, assumed for budget purposes a rate of 1s. 4d. The debit that will be necessary in our accounts, which are still maintained on a 2s. basis will, on this assumption, be about 15·5 crores, of which 10 crores will appear under the head "Exchange", the remaining 5·5 crores being debited in the estimates of the commercial departments.

#### **No Provision for Reduction of Provincial Contribution**

Finally, before I come to the military estimates, I must point out that we have made no provision for any reduction in the present contribution, payable to us by the Provincial Governments, the amount of which after allowing for the waiving of the Bengal contribution, is 9,20 lakhs. The House is aware that several provinces, notably, Madras, the United Provinces and the Punjab, have pressed us strongly for some reduction next year in the amount of their contributions. It is also a matter of common knowledge as many of the provinces are finding it difficult, if not impossible, to cover their expenditure, and have had to ask their legislature, to sanction various schemes of new taxation in order to help balance their budgets. I shall have something more to say regarding the position of the provinces before I sit down. For the present, I will only say that we have not provided for any reduction for the simple reason that, with the certainty of a deficit staring us in the face, it was quite impracticable to do so. But I need hardly say that the progressive reduction and extinction of these contributions must be regarded as a first charge upon any betterness that the financial position of the Central Government may show in future years.

#### **Military Expenditure**

I now take the final and heaviest figure, namely, Military expenditure. The established charges we estimate at 59,70 crores against 58,20 in the current year's Budget, Waziristan charges at 2,13 against 3,00, and demobilization expenditure at '35 against 1,00; the total is therefore 62·18 crores or approximately the same as in the Budget for the current year. The increase in established charges does not represent any addition to the strength of the post-



war Army as already laid down, except in the case of the Territorial Force, and is largely due to an item which lies entirely outside our own control, namely, the great increase in prices of provisions and other consumable stores. These are estimated to cost nearly 2 crores more than in the current year. Apart from the outlay necessary for the expansion of the Territorial Force and from a relatively small sum of money for the revision of the pay of certain classes of Indian personnel in the Army services whose remuneration has not yet been brought up to the standard obtaining in other quarters; no new demands for military outlay have been admitted. Not only so, but it would have been impossible to keep the established charges down to the figure I have given had we not effected retrenchment in a number of directions, notably in Military Works, the purchase of new equipment, and the strength of the reserve, and further by taking credit for an anticipated shortage of British troops. As regards Waziristan, I fear that the figure can be regarded as tentative only, for it is always difficult to forecast the exact effect of military operations of this nature. These operations may as in the present year lead again to an excess in the military budget. The 35 lakhs on demobilisation expenditure represents the sum which the Secretary of State has estimated will be required in 1922-23 for the payment of India's share of the compensatory gratuities to officers of the Indian Army who have been found surplus to the strength owing to reduction of establishment.

#### Resultant Deficit

The net result of these figures is that we expect an expenditure of 1142 & one-fourth crores against a revenue, on the basis of existing taxation and including the provincial contributions of 9,20 lakhs, which will amount to 1,10.5 crores, *i.e.*, a deficit of thirty one and one fourth crores, which would be reduced to twenty five and three fourth crores by the contemplated increase in passenger fares mentioned by me.

#### How to meet the Deficit.

I now come to the hardest part of my task to-day, namely, to discuss what measures should be taken to meet the grave problem presented by an estimated deficit next year of about 31 and three-fourth crores. It is obvious that there are, in theory, three courses which can be adopted either separately or in combination. First, we can budget to reduce for a deficit, either the whole or part of the above amount; second, we can attempt to reduce our expenditure; and third, we can take steps to increase our revenues. The problem is so grave, and the issue at stake so large, being nothing less than the solvency of the country that I make no apology for examining in some details each of these three courses.

#### Budgeting for a Deficit

Would it be desirable, or would it even be possible, to leave the whole or the major part of this deficit uncovered? Now, so far as I have been able to ascertain, on one occasion only in the past has the Government of this country deliberately budgeted for a deficit. This was in 1915-16, the first budget of the war, when Sir



William Meyer budgeted for a deficit of about 4 crores. In introducing that budget, Sir William Meyer carefully explained the reasons which had led him to adopt that course. He emphasised that the Government would not think of proposing to budget for a deficit if the deficiency in revenue promised to be of a more or less abiding character. That, however, he held, was not the case on that occasion ; it was then too early in the war to be sure that the excess of expenditure over revenue was anything more than temporary, and unless and until it could be shown that the gap between revenue and expenditure was likely to last for some time, it would not be justifiable to impose increased taxation, especially as the Government's cash balances could at that time be relied on to produce the necessary finance. For the rest, so far as my researches go, the Government of India have always endeavoured to meet the expenditure of each year from the revenues of that year, and although on occasions their estimates have been disturbed and deficits have actually accrued, they have, except on one occasion mentioned above, never deliberately contemplated that their expenditure should exceed their revenues. I do not think that there can be any doubt that this policy consistently followed in good years and bad, when the outlook was fair and when it was gloomy, had much to do with the sound financial position in which India found herself at the beginning of the war, and with the excellence of the credit of the State both within the country and abroad.

*Deficit not Temporary.*

Now, in considering the extent, if any, to which we should be justified in leaving this estimated deficit uncovered, there are two points of vital importance to which I must invite the careful attention of the House. In the first place, it is necessary to examine briefly the real nature of the current and next year's deficits. Can it be said that the present emergency is similar to that which Sir William Meyer had to face in preparing his budget for 1915-16? I hold that the answer to this must be in the negative. I do not think that it is possible to take up the position that these deficits are due to transient causes, that we can look for better times ahead, and that we should consequently be justified in leaving things as they are, in the hope that before long our revenues will once more have equalled our expenditure. I must say frankly that I see very little prospect of any such equilibrium being attained with a measurable period. In saying this I do not mean to imply that either the probable deficit of 34 crores in the current year or the estimated deficit of 31 & three-fourth crores this year is necessarily to be taken as a measure of the permanent gap between our expenditure and our revenue. I assume that, with the liquidation of our frontier



commitments, that portion of our military charges which are classified as "abnormal" will disappear. I also assume that our revenues would respond to any substantial revival in trade, when the day of that revival dawns, as assuredly dawn it must. But after making every possible assumption of this nature, I do not think it can be said that, if things are left as they are, equilibrium will be attainable within a measurable time. It has, moreover, to be remembered that we have a certain loss of revenue in front of us, in respect of the gradual abolition of the provincial contributions. I have not overlooked the fact that the stabilisation of the rupee at 2s. would relieve our revenues to the extent of about 15 crores a year, but the House is in as good a position as I am to judge whether we should be justified in placing any reliance on this recommendation. The problem, as I fear we must envisage it, is thus not one of carrying on until we have turned the corner, for the turning is nowhere visible.

#### How the Deficits have been Financed.

Secondly, it is necessary to examine briefly what a succession of deficits really means, and what are the results which it leads to. I will not embark on any theoretical discussion of financial ethics, but confine myself to actual facts. Including the deficit of the current year, during the past four years our expenditure (in using the word 'expenditure' I mean of course expenditure debitable to revenue, and not capital expenditure on such objects as Railways and Irrigation) has exceeded our revenue by a total amount of 90 crores. Where did this money come from? The short answer is that we have been living on credit. About 37 crores have been obtained by the issue of fiduciary currency notes, namely notes the only backing of which are our own I. O. U's. A further 47 crores will have been found by incurring floating debt in the shape of treasury bills, while the remaining 6 crores will have been taken from the proceeds of our regular annual borrowings. Our treasury bills consist of short terms bills (mostly for 3, 6 or 9 months) which we have so far managed to renew on maturity. But it is an open fact that we have only succeeded in doing this by virtue of the recent stagnation of trade and consequent plethora of bank money; it is very doubtful if on any real revival of trade we should be able to keep "floating" an amount of treasury bills on anything like the present scale. A treasury bill outstanding in the neighbourhood of 60, or even of 40, crores is, as I have more than once pointed out, a matter for great anxiety, seeing that at any time, with the appearance of other demands upon the discount market such as a revival of trade or an acute monetary position, our sales might not cover our maturities and we should then have no alternative, if we



were not to dishonor our bills, but to make a further large fiduciary issue of currency notes. During the past month or two we have, in fact, had a preliminary warning as to the insecurity of our position; a sudden tightening of money in Bombay led for a time to distinct embarrassment; in spite of our giving very much more favorable terms for our treasury bills we found great difficulty in meeting our requirements and were obliged as a temporary measure to re-issue a substantial amount of currency notes which we had cancelled during the preceding months. And, of course, the dependence of Government upon the money market, to supply it on credit with funds to meet the gap between incomings and outgoings, itself reacts strongly upon the supply of money available for trade, thus setting up a vicious circle. To escape from that circle is one of the most pressing problems before us.

**Not practicable to continue Financing deficit on the present scale**

What then is the inevitable conclusion to which these considerations lead? Putting aside all theoretical considerations of principle and of sound financial policy, the financing of a further deficit next year, of an amount anything like the thirty one and three fourth crores estimated, is simply not a practicable proposition. I should be much mistaken if we have not already reached the limit of safety. To attempt to increase our floating debt beyond the figure at which it is likely to stand on April 1st next would be to invite not only grave monetary stringency, but possibly even a severe crisis. To raid the Gold Standard Reserve, which has been built up for an entirely different purpose, would be merely putting off the evil day, and would be an expedient which could be adopted only as a last resort and even then purely as a temporary measure. To rely on the proceeds of our annual rupee or sterling loans to finance our deficits would, as I shall show later in my speech, be equally impracticable, seeing that we shall fully need the whole of these for financing our existing capital liabilities and productive expenditure on our railways. The inevitable result, in short, of any attempt to finance a deficit of this size would, in my opinion, be to force us to large issues of unbacked currency notes, and I am sure the House will agree with me that the effect of such inflation upon the general level of prices in this country and upon our general credit, would be very serious. My conclusion then is, and I state it with perfect confidence, that the problem before us is one that cannot be shelved or left to look after itself. It is a problem which has to be faced, and it is my duty to ask this House and country, whatever their opinion may be of the particular proposals that we are making, to join with us in facing it.



### Reduction in Expenditure

How far can we reduce the deficit by cutting down our expenditure? I have already indicated the difficulties which we have encountered in regard to our largest spending department, the Army. I have told the House that as regards the civil department we have cut out all new expenditure which cannot be proved to be of imperative necessity. I do not claim that further reductions are impossible; as the House knows, we are committed to an enquiry into the steps necessary to effect retrenchment, even if that results in curtailing departmental activities. We have agreed to accede to the desire of the Assembly for the appointment of a Committee of retrenchment, and an announcement will shortly be made on the subject. But the field of civil expenditure over which that enquiry can range is small; it does not extend to more than 20 crores; and though retrenchment may and no doubt will be effected, it could have but a minor effect in restoring the balance. In any case, a Finance Member must frame his budget not on what he hopes may be effected in the future, but on the basis of the expenditure now actually being incurred.

### Possibility of Transferring Expenditure from Revenue to Capital.

I have sometimes heard it asked why we cannot simplify to some extent our financial problem by taking to capital certain of the expenditure which is at present debitable to revenue, why, it is urged, should the present generation have to pay for expenditure on public works or other objects, which have a permanent or semi-permanent life, such as civil buildings, roads and bridges on the frontier, new barracks, etc., or, again, on stores and material used in our commercial departments, such as the Post and Telegraphs? This contention is, to a large extent, met by the fact that the present estimates make practically no provision at all for new civil buildings, that the construction of Delhi and capital expenditure on railways are already met from capital funds, and that we are already providing for the debit to loan funds of expenditure on store and material for our Telegraphs. It is, however, quite unnecessary to discuss this question at any length, for, in point of fact, whatever may be the division in our accounts as between capital and revenue, we are unfortunately already meeting a large proportion of our annual expenditure from borrowed funds. The figures which I have already given show that we have been doing this on a very large scale, far in excess of what by any stretch of reasoning could be described as real capital expenditure. To reduce our revenue deficit by a mere stroke of the pen would not in any way affect or cover up the actual position.



*Necessity for increasing Postal Rates.*

If I have carried the House with me so far, I have established two propositions. The first is a two fold one, namely, that the country cannot, if it has any regard for its credit or any thought for its future solvency, take refuge in the simple course of leaving the whole or even the greater part of this deficit uncovered, and further, that quite apart from such considerations, it would not be a practicable proposition to do so, even if we tried. Secondly, however successful our efforts may be in reducing our expenditure, and imperative though it is that we should make the attempt, it is out of the question to expect any relief from this source to be on such a substantial scale as materially to reduce the excess of expenditure over revenues. I submit therefore that there is no escape from the conclusion that it is imperative to take every possible step to increase our revenues. We can do this in two ways : firstly, by making the services, if possible, yield a profit ; secondly, by increasing taxation. As regards the first method, I have already indicated that we propose to increase the railway receipts to the extent of about 6 crores by an increase in passenger fares. There remains the Post and Telegraph Department. It is not possible to increase the telegraph charges, which are already on the high side, and indeed that branch of the department more than pays its way. We are, however, as I have already shown, losing heavily on the combined Post and Telegraph Department. Last year we invited the legislature to agree to certain measures for increasing our postal receipts. The most important of these, namely, the doubling of the postcard rate and the raising of the minimum charge for inland letters from half an anna to one anna, were not accepted. The increases agreed to were by comparison of minor value and are only expected to produce 35 lakhs in the current year. Hon. Members will recollect the circumstances which led, by a compromise, to the adoption of a nine pie rate for letters exceeding half a tola in weight. I understand that the increased revenue from this source has been very small, not more than 10 lakhs ; it has also led to many administrative difficulties in the matter of weighing letters and collecting overcharges so much so that I am told that the collection of overcharges is not worth the revenue obtained, and altogether the inconvenience that has been caused to the public has not been commensurate with the gain to the exchequer. We shall now ask the legislature to consider the position which it took up last year. I admit now, as I admitted then, the enormous advantage to a country of a cheap postal service nor do I underestimate in any way the strong sentimental attachment that must exist to the pice post-card. My reply to such considerations, now as then, is



financial necessity ; with the enormous increase in the cost of working that has occurred in recent years, the country cannot afford to maintain a postal service at the present cheap rates. We propose therefore to raise to half an anna the quarter anna postcard, and, secondly, to abolish the half-anna and 9 pie rates for letters, making the charges in future one anna for letters not exceeding 2 & half tolas in weight, and one anna for every additional 2 & half tolas. We estimate that the increased revenue obtainable from these measures will be 160 lakhs. I may point out that even after these changes, we shall still on the whole have the cheapest postal service in the world.

These two measures, namely, the increase in railway passenger fares and the increase in postal rates, will represent a total increased revenue of 760 lakhs, reducing our estimated deficit from 31 crores 76 lakhs to 24 crores 16 lakhs. I now turn to the further measures which we consider that the financial position of the country render imperative.

#### Proposals for Additional Taxation.

The problem of how to raise a large amount of additional revenue through increased taxation, with the minimum of hardship to the taxpayer and the minimum of disturbance to trade and commerce has, I need hardly say, been the subject of anxious consideration for some time. The burden which the country is now invited to shoulder is a heavy one ; we have done our best to distribute it as equitably as possible and to see that all classes of the community shall contribute, each according to its capacity. When additional revenues are required, the first head to which one's thought naturally turns is Customs. Here, we are at once confronted with the fact that a Fiscal Commission is now sitting, and if the needs of our revenues were not so urgent, we should have preferred to await the conclusion of that Commission's deliberations before proposing any further alteration of the tariff. Any such postponement is, however, impossible.

#### No pre-judging of Fiscal Commission's Report.

Whatever opinions may be held on the various important issues that the Fiscal Commission is now considering, and whatever decision may be ultimately arrived at on its report, there is no escaping the conclusion that the pressure of financial necessity must, in any case, inevitably involve the raising of our customs duties, purely for revenue producing purposes, irrespective of what the effect may be in the case of any particular tariff-head in the direction of protection, imperial preference, or free trade. In framing our proposals, we



have, however, endeavoured to preserve to the greatest possible extent the general character of the present tariff and the general relation *inter se* of the various duties ; in other words, we have endeavoured to limit our proposals in such a way as not to involve any important change of principle in the existing fiscal arrangements.

#### Details of Customs Proposals

(i) The vast majority of customs duties necessarily fall upon the consumer, and the general character of the proposals which I am about to mention is, therefore, that of a tax on consumption. We propose to raise to 15 per cent the import duty on all articles now assessed to 11 per cent. But since one of the most important articles, both of import and of consumption, is piece-goods, we propose that the consumption of piece-goods in this country should be taxed by a further 4 per cent ; that is to say we should raise the cotton excise duty from 3·5 to 7·5 per cent. The combined effect of these two measures is estimated to bring in an increased revenue of 545 lakhs. We have not, of course, overlooked the contentious history of the cotton excise duty, but after the account that I have given this morning of our financial necessities, and after what I have just said regarding the raising of the general *ad valorem* duty, I do not think that even the most malignant of our critics can accuse us of raising the cotton excise duty for the purpose of counterbalancing the import duty on foreign manufactures.

(ii) The present import duty on machinery, iron and steel, and railway material, is only 2·5 per cent. We propose to raise this to 10 per cent, yielding an extra revenue of 4,05 lakhs.

(iii) We consider that the trade in foreign sugar can, and should, bear an increase of duty, and we propose to raise the present import duty from 15 to 25 per cent, yielding an extra revenue of 2 crores.

(iv) We propose to raise the specific duty of 12 annas per gross boxes of matches to Rs. 1/8 per gross boxes, yielding an estimated additional revenue of 95 lakhs.

(v) We propose to impose an excise duty of 1 anna per gallon on kerosine produced in India, with a corresponding increase in the duty on imported petroleum, namely from one and half anna to two and half anna per gallon, the extra revenue from which measures will be 90 lakhs.

(vi) Last March we joined many Hon. Members in resisting in this House a proposal to remove yarn from the free list. We feel that the arguments then used must now yield to our financial necessities, and we propose to ask the House to agree to an import duty of 5 per cent. on imported yarn, yielding a revenue of half a crore.



(vii) The imports of articles which are assessed at the highest rate of tariff, namely, 20 per cent, have, during the greater part of this year, been very disappointing. I do not think, however, that this decrease can fairly be attributed to the new duty imposed last March, but rather to the very excessive imports, and consequent over-stocking, of the previous year. More recently, the imports of these articles have sensibly increased. We consider that the rate of duty can now be increased from 20 to 30 per cent, yielding an extra revenue of 75 lakhs.

(viii) As regards alcoholic liquors, the customs returns show that any attempt to increase the import duty on wines would almost certainly result in an actual loss of revenue, but as regards ale and beer, liquors and spirits, although we should have preferred to have waited another year before raising the duties further, we cannot afford to neglect any possible increase of revenue in the coming year, however small. Moreover, when we are proposing heavy additional taxation, affecting many necessities of life, we think it is all the more imperative to take from alcohol the maximum revenue possible. We accordingly propose an increase of approximately 20 per cent in the duties on all alcoholic liquors, except wines, yielding an extra revenue of 30 lakhs.

The actual increases proposed are as follows :—

		Present rate of duty.	Proposed rate.
Ale, beer, porter, cider and other fermented liquors, per gallon	...	... 6 half annas.	8 annas.
		Rs. A. P.	Rs. A. P.
Perfumed spirits, per gallon	...	... 30 0 0	36 0 0
Liqueurs, untested, per gallon	...	... 25 0 0	30 0 0
Liqueurs, tested, per proof gallon	...	... 18 12 0	21 14 0
All other spirits, per proof gallon	...	... 18 12 0	21 14 0
No change is proposed in the duty on denatured spirits.			

As regards tobacco, we do not think that for the present, having regard to the great decrease in consumption, any further increase in duty is possible without actual detriment to the revenue.

The total increased revenue obtainable next year from the increases in customs, which I have now mentioned, is estimated at 14,90 lakhs. Full details will be found in the Schedule to the



Finance Bill which I shall ask your permission, Sir, to introduce this morning. The extra revenue during the current month is likely to be 80 lakhs.

#### **Income-tax and Super-tax.**

These measures will still leave an uncovered deficit of about nine and one fourth crores. We feel it necessary to make a further call on the payers of income-tax and super-tax. We do not propose, however, to effect any alteration in the rate of tax payable by persons whose incomes do not exceed Rs. 30,000 a year. Indeed an increase in those rates, even by a substantial amount, would not be likely to produce any large increase in revenue, seeing that most of our income-tax revenue comes from assessments made at the highest rate. We propose to raise the rate on incomes between Rs. 30,000 and Rs. 40,000 from 14 to 15 pies, and on incomes above Rs. 40,000 from 16 to 18 pies. As regards super-tax, we propose to regard the higher rates, working up in the manner shown in the Schedule to the Finance Bill, to the highest rate of 6 annas as against the existing highest rate of 4 annas. The combined effect of these two measures is estimated to produce an extra revenue of two and one-fourth crores.

Finally, we consider that the present emergency is such that there is now no alternative but to increase the salt duty, which has always been regarded as our ultimate reserve. We propose to increase the duty from Rs. 1-4 to 2-8 a maund. The present consumption of salt in India works out at 6 seers per head of population. The increase of Rs. 1-4 per maund will therefore represent 3 annas per head per annum, or let us say 12 annas per annum for each household of four. It cannot surely be maintained that this will be felt appreciably by even the poorest classes. The extra revenue is estimated at 5 crores a year, but in the first year, owing to the existence of the credit system of sales, is not likely to exceed 430 lakhs. As in the case of the increased Customs duties the increase in the salt duty will come into force from to day, and the extra revenue in the current month is estimated at 20 lakhs.

The total extra revenue obtainable from the measures which I have mentioned to-day is estimated at slightly over 29 crores next year and at 1 crore in the current year. The uncovered deficit will therefore be two and three fourth crores, together with the indeterminate liability to which I have already alluded in regard to Waziristan. Financial considerations by themselves would involve the imposition of a further taxation of at least 3 crores in order that we might fully establish equilibrium. After every careful consideration, however, we do not feel justified in asking the legislature to agree to the imposition of additional taxation beyond that which I have



already mentioned. But the existence of any uncovered deficit is, in present circumstances, a matter for anxiety ; and we can only hope that by a combination of strict economy in every direction, together with an expansion of our revenues by a steady revival in trade, we shall before long arrive at a position of equilibrium, for I must warn the House that unless equilibrium between revenue and expenditure is arrived at in the near future, the financial position and credit of this country will inevitably suffer a rapid deterioration.

#### Ways and Means

I have had a good deal to say to the House this morning regarding the state of the ordinary revenues of the country and the expenditure which is debitable to our revenue account. I must now turn to that part of our financial administration generally known as "Ways and Means." I know that some people are inclined to fight a little shy of ways and means matters because of the technicalities which are inseparable from the subject. But on this occasion I must invite Hon'ble Members to give their particular attention to the main facts regarding our ways and means operations in the current and coming years, for there is this year more than the usual connection between our revenue and our ways and means accounts. In the days of many of my more fortunate predecessors the existence of substantial revenue surpluses was frequently relied on to supply funds for financing our capital liabilities. There was much to be said for that cautious and conservative policy, which aimed at limiting strictly the amount of our borrowing and thus undoubtedly helped to place India's financial credit in the high position which it occupied. There was, however, something to be said on the other side, and there must be many here who remember Mr. Gokhale's trenchant criticisms of continued large surpluses which should, he contended, have been devoted primarily to the relief of taxation. During more recent years, however, we have unfortunately seen the other side of the picture, and I have already portrayed something of the difficulties which my Department has encountered in finding the actual cash to finance a series of revenue deficits. Indeed, it is because we are now obviously approaching the end of our resources as regards financing deficits that we have felt obliged, quite apart from all other considerations, to ask the House to agree to drastic measures in order to attempt to bridge the gulf between our revenue and our expenditure. I have shown that during past four years we have had to find resources amounting to no less than 90 crores in respect of revenue deficits, including no less than 34 crores in the current year. In speaking of next year's deficit I have already emphasised the grave dangers involved



by our attempting to continue to live on our credit in order to meet current expenditure. The facts and figures which I shall now give the House will show how this liability has handicapped us in our ways and means operations, has forced us to borrow large sums at high rates of interest, and has prevented us from reducing the dangerously high amount of our floating debt.

I will first give the House a brief description of the other capital liabilities, besides this deficit, that we have had to meet, and of those which we expect to have to finance during the coming year,

(In crores of Rs.)

Budget for

1921-22      1922-23

LIABILITIES.

(i) Drawings of and loans to provincial Governments. ... ..	12'2	9'8
(ii) Railway capital outlay ... ..	23'0	30'0
(iii) Delhi and Telegraph capital outlay ... ..	2'7	3'5
(iv) Discharge of debt ... ..	19'2	7'9
(v) Revenue deficit ... ..	33'0	2'7
(vi) Net discharge of Treasury bills issued to the public ... ..	...	4'0
Met as follows :—	90'1	57'9
(a) Rupee loan ... ..	49'2	25'0
(b) Sterling loan (converted at 1s. 1d.) ... ..	23'0	26'4
(c) Increase in Treasury bills issued to the public ... ..	2'8	...
(d) Credits from exchange ... ..	5'7	1'7
(e) Arrear recoveries from Mesopotamian Government ... ..	1'0	...
(f) Reduction of cash balances ... ..	2'1	1'1
(g) Net receipts from Savings Bank deposits and Cash Certificates ... ..	2'3	3'1
(h) Other items ... ..	3'0	'6
	90'1	57'9

This shows we have had to meet liabilities of 90 crores in the current year, and that more than one-third thereof has been due to the revenue deficit. The Provincial Governments too have had their difficulties and have had to rely to a large extent (not less than twelve and one-fourth crores) on us to finance their deficits and capital expenditure, either by actually borrowing from us or by



drawing on what is left of their balances with the Central Government. Altogether then, the financing of deficits, Central and Provincial combined, will account for over 45 crores, or more than half the total capital liabilities of the year. For the rest, nineteen and one-fourth crores is represented by the discharge of our War Bonds, and the remainder by capital outlay on Railways, Delhi, and Telegraphs. In order to meet these large liabilities we have had, in the first place, sundry assets and receipts, amounting to 15 crores, which I need not specify individually. To meet the remainder we have had to raise rupee and sterling loans to an extent considerably greater than we had budgeted for. It will be seen that in India and London combined we have raised no less than seventy two and one-fourth crores of rupees in new loans. That, of course, is a very large sum to raise, and we have only been able to do so partly because of the stagnation of trade in this country which made Government securities almost the only available means of investment, and partly because of distinctly favourable conditions in the London money market. Finally, as a result of our heavy liabilities to finance deficits, we have been quite unable to effect any reduction in our floating debt; on the contrary, there will, we anticipate, be an increase of about two and three-fourth crores in the amount of Treasury Bill, outstanding with the public at the end of the year.

As regards next year, we hope that if the House will second our efforts to increase our ordinary revenues we shall not have such a large sum to find in order to finance revenue deficits, though, apart from the Central Government's deficit of two and three-fourth crores, we have been warned that we may have to find nearly 10 crores, in the shape either of advances to Provincial Governments to enable them to carry on, or of drawings on their balances by such Provinces as will have any balances left. We have to find nearly 8 crores for the repayment of 1922 War Bonds, some 1.5 crores in respect of capital outlay on the Telegraph Department, and 2 crores for expenditure on the new capital at Delhi; for, this House has already decided that, if only in the interests of economy, it is desirable that this work should be completed as soon as possible, and 2 crores is the total amount which the engineers expect to be able to spend in the year. We are also budgeting for a reduction of 4 crores in the outstandings of treasury bills with the public. I have already said sufficient on this matter to indicate the imperative necessity of our not allowing our floating debt to remain at the present dangerously high level. There remains only the provision of 30 crores for capital expenditure on Railways, as against 23 crores that we expect to spend in the current year. My Hon'ble colleague in charge of the



Railway department will, I understand, bring before the House in the current session the recommendations made by the Committee of the two Houses of the Legislature which met in December last to consider the question of our Railway capital programme. I will not anticipate here the discussion which will no doubt then take place. All I will say is that, great as are the liabilities thrown upon our ways and means, resources in other directions, it would in my opinion be a short-sighted policy, and detrimental to the trade and prosperity of the country if we hesitated to take all possible steps to restore our railway lines to the condition demanded by the travelling public and the country's trade. This 30 crores will be practically all devoted to the improvement of existing lines; there is no provision for any new construction, except a small amount, under 2 crores, for the completion of new lines already in progress.

Apart from certain miscellaneous receipts, such as savings bank deposits, we must rely entirely upon our borrowing in order to finance this liability. For the purpose of these estimates, we have entered a rupee borrowing of Rs. 25 crores and a sterling borrowing of £17'5 millions, the latter figure being inclusive of about £2 millions which will be realised next year out of the sterling loan of £10 millions floated in December last. We thus anticipate next year a total borrowing of 51'5 crores, though we do not, of course, bind ourselves to distribute our borrowings as between India and England in the particular proportion I have mentioned; this must depend upon market conditions during the year. As the House is probably aware, it is by no means certain that the recent favourable conditions as regards sterling borrowing may continue throughout next year. Hitherto, Indian sterling stock has occupied a very high place among what are known as gilt-edged securities. For the first time for very many years, Indian securities recently had a sudden, but fortunately only temporary set-back in popularity owing to apprehensions felt in the United Kingdom regarding the internal situation in this country. Brief as was the period of depression, the incident nevertheless carries its own warning and I feel that it would be unsafe to count on a total borrowing, in rupees and sterling combined, larger than that for which we have taken credit. As regards rupee borrowing, there are, moreover, two considerations to be borne in mind. In the first place, we must remember that any appreciable revival in trade must inevitably lead to other channels of investment for those people who during the past two years have subscribed to our loans. Secondly, several of the Provincial Governments will themselves be entering the market, one of them at all events to a very substantial extent. Altogether, if we look ahead for the next few years, we have to remember that our



essential capital liabilities, namely, the provision of an adequate railway programme and the repayment of our short-term bonds, represent a total sum which will strain our borrowing capacity to the utmost, and every serious thinker will, I believe, agree that to rely to any substantial extent on our annual borrowings to finance large revenue deficits and to provide us with funds for carrying on the ordinary day to day administrations is out of the question.

So far I have dealt with our ways and means position taking our balances in India and England together. It is now necessary, however, that I should give some explanation of the position at our Home Treasury, for, as the House will see, this is likely to have an important bearing upon our general currency and exchange arrangements. In normal times, the usual procedure for keeping the Home Treasury in funds is for the Secretary of State to sell Council Bills upon India. No Council Bills have, however, been sold since 1919, the reason being that there has been no trade demand for them, while the Secretary of State has been able to keep himself in funds by recoveries made by him from the Home Government in respect of expenditure incurred by us on their behalf in India and Mesopotamia, this operating, in effect, as a remittance from us to the Secretary of State. In one financial year, namely, 1918-19 our recoveries from the Home Government were no less than £92 millions. Since then owing to the closing down of the Mesopotamian operations and the gradual disbandment of the additional troops that had been raised during the war for service overseas, these recoveries have greatly diminished, and during the current year we only expect the Secretary of State to recover about £25 millions, while during the next year we do not expect that he will cover more than £9·5 millions. His total liabilities, including the ordinary Home charges, together with about £18·5 millions, on account of purchases in Europe of railway material and stock, are expected to amount to about £52½ millions. There is, therefore, a substantial deficit in his resources. How is that to be supplied? I have already mentioned that he hopes to obtain about £17 and half millions from sterling borrowings. Assuming that he will succeed in raising this large amount, there will still remain a gap of £18 millions which will have to be covered by a transfer of funds from India to England. Now, there are only two possible ways of making this remittance; the Secretary of State must draw on us, either through the sterling reserve or by the sale of Council Bills. It is necessary that I say a few words about each of these methods of remitting funds to him.

As regards the former, namely, the transfer of our sterling reserves from England to India, there will be in England at the



beginning of the financial year about £five & three-fourth millions of the Paper Currency Reserve and £40 millions in the Gold Standard Reserve. Both of these are held mainly in the form of British Treasury Bills, which are readily convertible into cash. The Secretary of State can, therefore, to the extent of his requirements, draw on those reserves, provided, of course, (and the House will soon see that the proviso is an important one) that we earmark the necessary funds in India for credit to those reserves, the net result being a transfer of the reserves from England to India. In the case of the Paper Currency Reserve we should at this end cancel notes to an amount equivalent to the British Treasury Bills sold out by him, thus reducing the circulation to that extent. In the case of the Gold Standard Reserve we should have to earmark fund for credit to that reserve in India ; we propose to do this by earmarking gold, i. e., we should transfer gold from the Paper Currency Reserve, which contains £24 millions, in sovereigns and gold bullion, to the Gold Standard Reserve. But, here again, in order to be able to make this transfer, we should of course have to make equivalent payments to the Currency Reserve and thus cancel notes to the necessary extent. So, whether the Secretary of State draws through the Paper Currency Reserve or through the Gold Standard Reserve, the net result is a cancellation of notes in this country. That is the operation generally known as "deflation," and I use the word for the reason that this is the actual effect of such drawing, and not because we consider that circumstances justify a policy of deflation on its own merits. But when one looks at this matter practically the question at once arises, whether we could in fact effect cancellation to the necessary extent. I must point out moreover that deflation in order to put the Secretary of State in funds does not represent the whole of the cancellation necessary, seeing that under the Paper Currency Act we are bound to apply the interest on our Paper Currency Reserve investments to the cancellation of notes issued against our *ad hoc* securities in India and, further, we have also undertaken to apply to the same purpose any excess in the Gold Standard Reserve and above the figure of £40 millions. The deflation in respect of these two items will amount next year to about 6 crores, and when added to the deflation necessary on our present estimates to put the Secretary of State in funds represent a total sum of 33 crores. I have only to mention this amount for the House to judge of the practicability of cancelling 33 crores of notes out of a total circulation of about 170 crores. I need not elaborate this point, for it is one which all bankers and financiers, and indeed most business men will at once appreciate. Every crore of notes cancelled by us means a withdrawal of a crore



of notes from the money markets, with a proportionate tightening of money. By cancelling notes at judiciously chosen opportunities we hope to be able to provide some portion of the Secretary of State's requirements in the coming year in this manner; and of course deflation, if carried out with caution and with due regard to the legitimate needs of trade, has, as the economists tell us, a valuable effect in reducing the general level of internal prices. But, as recent experience in other countries has shown, there is an obvious limit to which we can or should go in this direction, and we recognise fully the responsibility on us not to go too far, or to produce such a sudden or rapid stringency as might lead to a dangerously acute position.

If the House has followed me in my remarks regarding the possibilities of deflation, it will be clear to it that, to the extent to which our deflation falls short of the amount which we at present estimate as necessary to keep the Secretary of State in funds, it will be necessary for him to sell Council Bills. We have not entered any figure in the estimates for a remittance through Council bills, and have for the present shown the whole remittance as effected through the sterling reserves, but of course we hold ourselves free, should circumstances require and the state of the exchange market permit, to make remittance by Councils. Further, the facts and figures which I have given to the House must dispose of any apprehension that the business community in India may still have as regards the Secretary of State's unlimited powers to force up exchange to the two shillings level.

#### Exhaustion of Provincial Balance

Now that the Provincial Governments have almost complete financial autonomy, it would ordinarily be unnecessary for me to make any reference to their financial operations. What I have already said, however, regarding the difficulties in which the provinces now find themselves, and their effect upon our general ways and means operations, makes it desirable that I should make a few observations on the All-India position. A few facts will suffice to show the general position in the provinces. At the beginning of the current year the total provincial balances were 16'16 crores while at the end of next year the aggregate balances are expected to be only 5'5 crores, even after allowing both for the various loans which several provincial Governments have raised or will have raised during the two years, and also for the proceeds of extra taxation which several provinces are imposing for their own purposes. Further, there is not a single province which, according to our present information, is not budgeting for a deficit next year. I am not in a position to give full figures, because several provincial



budgets have not yet been presented, but the House may take it as reasonably correct when I say that, taking the provinces as a whole, their expenditure next year (omitting of course expenditure of a capital nature which will be defrayed from loan funds) will exceed their revenues by an amount of about 8 crores. Several of the provinces will, by the end of the current year, have already exhausted the balances which we keep for them as their bankers, and at least one of the major provinces will have to take a substantial advance from us merely in order to carry on.

Problem—an All-India one

The position of the Central Government's own finances, as I have endeavoured to explain to the House this morning, shows that there can be no question of our attempting to reduce the provincial contributions of nine and one fourth crores in the immediate future. To do so would merely increase our own uncovered deficit and the net result would be exactly the same whichever course we adopted, for, whether the all-India deficit be regarded as completely central, or partly central and partly provincial, it will have to be financed mainly on the credit of the Central Government. The problem, therefore, is really an all-India one. The great difficulties in which most of the provinces find themselves have led in many cases to requests in non-official quarters that what is known as the Meston Settlement should be revised. I am not quite sure how far such requests are put forward with the object of obtaining a different distribution of the total contributions between the provinces, or merely represents requests for the acceleration of the abolition of the contributions. I must, however, point out that any attempt to wipe the Meston Settlement off the state might have a very different result from what is sometimes anticipated. Lord Meston's Committee worked on our assumption that the deficit of the Central Government at the initiation of the Reforms, to be made good from contributions from the Provinces, would be 9,83 lakhs. Now, that figure was arrived at upon various assumptions, two of which were of great importance. The first was the 2 shilling rate of exchange; the second a military budget of 43 crores. The non-realisation of the first assumption means, on the present figures of our Home charges, a difference to us of no less than 15½ crores a year. As for the military budget, although the strength of the Army is not greater (it is indeed somewhat less) than the pre-war strength, the cost is some 20 crores higher than the 43 crores we assumed. I would ask, therefore, those who desire to see that settlement upset, to consider whether an impartial committee, now arriving in India to effect a new settlement, might not take a very different view as to the amount of the contribu-



tions necessary from the provinces in order to enable the Central Government to discharge its fundamental duty of securing the country's defence, maintaining internal peace, and the service of the national debt.

Knowing, however, the difficulties which each Local Government has to face, we consider that the time has come when it is desirable for us to discuss the whole position with them, in order that we may exchange ideas and learn something of each other's difficulties. We propose, therefore, as soon as convenient, to invite the financial officials of each Local Government to a Conference in order to discuss the general position as regards the contributions, and at the same time to take the opportunity of examining the problems which each province has to face in the matter of financing capital outlay on irrigation and other schemes for which the provinces are now responsible.

#### Conclusion

And now, Sir, I can conclude my task. For us, for the Provincial Governments, and for the country at large the year has been a difficult and disappointing one ; nor is there yet any clear promise of an early lifting of the clouds which veil the horizon of our finances. We can only address ourselves with what determination we can command to the task of finding a solution for the urgent problems which immediately confront us. One fact, I think, stands out in prominence ; the overwhelming importance to India's trade and exchange of world factors over which we have no control. Any attempt to devise remedies as if India were a separate entity, divorced from world conditions, would be doomed to failure. A second fact is also clear ; that the world at large, and we also with other countries, have under-estimated the period of convalescence necessary for recovery from the maladies of the war. I need not labor the point, for wherever you look, whether towards Central Europe, or to the United Kingdom, or even to America, it is now clear that the problems are so stupendous that recovery cannot be other than slow. But the conclusion seems to me equally clear. If our troubles are due to world causes, we must move in line with the best thinkers of the outside worlds in seeking the remedy ; and the one solution which they can indicate for the difficulties in which State finance now everywhere finds itself is the deliberate attempt at any cost and at any inconvenience to make revenue meet expenditure. India's financial credit has stood high with the world in the past ; if she is to maintain this, and if she is to make good, what is of equal importance, her political credit with the world, she cannot afford to falter in applying the obvious and inevitable remedy which the situation demands.



# The Finance Bill

To enhance the duty on salt manufactured in, or imported by land into, certain parts of British India, further to amend the Indian Tariff Act, 1894, the Cotton Duties Act, 1896, and the Indian Post Office Act, 1898, to impose an excise duty on kerosene, to fix rates of income-tax, and to abolish the freight tax.

Whereas it is expedient to enhance the duty on salt manufactured in, or imported by land into, certain parts of British India, further to amend the Indian Tariff Act, 1894, the Cotton Duties Act, 1896, and the Indian Post Office Act 1898, to impose an excise duty on kerosene, to fix rates of income-tax and to abolish the freight tax; it is hereby enacted as follows :

1. (1) This Act may be called the Indian Finance Act, 1922.

(2) It extends to the whole of British India including, except as regards section 4, the Sonthal Parganas, and except as regards section 4 and 6, British Baluchistan.

(3) Sections 2, 5 and 7 shall remain in force only up to the 31st day of March, 1923.

## Enhancement of Salt Duty

2. With effect from the first day of March 1922, the provisions of section 7 of the Indian Salt Act, 1882, shall, in so far as they enable the Governor-General in Council to impose by rule made under that section a duty on salt manufactured in, or imported into, any part of British India other than Burma and Aden, be construed as if they imposed such duty at the rate of two rupees and eight annas per maund of eighty-two and two-seventh pounds avoirdupois of salt manufactured in, or imported by land into, any such part, and such duty shall, for all the purposes of the said Act, be deemed to have been imposed by rule made under that section.

## Amendment of Act VIII. of 1894

3. (1) With effect from the first day of March, 1922, for the Second Schedule to the Indian Tariff Act, 1894, the Schedule contained in the First Schedule to this Act shall be substituted.

(2) With effect from the same date, section 2 of the Indian Finance Act, 1921, and the First Schedule to that Act be repealed.

## Amendment of Act II. of 1896

(2) With effect from the first day of March, 1922, the following amendment shall be made in the Cotton Duties Act, 1896, namely, in section 6, for the figure 3 & half, the figure 7 & half shall be substituted.

## Amendment of Act VI. of 1898

5. With effect from the first day of April, 1922, the Schedule contained in the Second Schedule to this Act shall be inserted in the Indian Post Office Act, 1898, as the First Schedule to that Act.

## Imposition of Excise Duty on Kerosene

6. With effect from the first day of March, 1922, the provisions of the Motor Spirit (Duties) Act, 1917, which provide for the levy and collection of an excise



duty on motor spirit, that is to say, all the provisions of that Act except section 6 thereof, shall apply also for the purpose of the levy and collection of an excise duty on kerosene as if references in the said Act to motor spirit (other than the reference in the second clause of section 2 thereof) were reference to kerosene :

Provided that the duty on kerosene shall be levied and collected at the rate of one anna on each imperial gallon.

**EXPLANATION.**—For the purpose of this section, “kerosene” means any inflammable hydro-carbon (including any mixture of hydro-carbons or any liquid containing hydro-carbons but excluding motor spirit which—

(A) is made from petroleum as defined in section 2 of the Indian Petroleum Act, 1899, and

(B) is intended to be, or is ordinarily, used for purposes of illumination.

### **Income-Tax and Super-Tax**

7. (1) Income-tax for the year beginning on the first day of April, 1922, shall be charged at the rates specified in Part I of Third Schedule.

(2) The rates of super-tax for the year beginning on the first day of April, 1922, shall, for the purposes of section 55 of the Indian Income-tax Act, 1922, be those specified in Part II of the Third Schedule.

(3) For the purposes of the Third Schedule “total income” means total income as defined in clause (15) of section 2 of the Indian Income-tax Act, 1922.

### **Repeal of Act XIII of 1917**

8. With effect from the first day of April 1922, the Freight (Railway and Inland Steam Vessel) Tax Act, 1917, shall be repealed.

It is hereby declared that it is expedient in the public interest that this Bill should have temporary effect under the provisions of the Provisional Collection of Taxes Act, 1918.



## The Council of State

*DELHI—1ST MARCH 1921*

On March 1st the Council met for the presentation of the Budget. Before this some legislative business was transacted. On the motion of Mr. O'Donnell the House passed the Bill further to amend the Provincial Small Cause Courts Act, the Civil Procedure Code, 1908 (?) as passed by the Legislative Assembly. The House similarly agreed to the passing of the Bill to amend the Indian Limitation Act, 1908, as passed by the Assembly.

In view of the fact that the Assembly had not agreed to the amendment of the Council to clause 15 (2) of the Indian Income-Tax Bill substituting the words "any adult male member" for the words "any male member" regarding the exemption in respect of life insurance, Mr. Cook wanted to move the Council to agree to the Bill as amended by the Legislative Assembly. Mr. Cook said that although the Government still thought that the amendment carried in the Council of State, and which the Legislative Assembly refused to accept, was reasonable, right and proper, still on the grounds of expediency and in order to avoid the delay it was necessary that the House should accept the motion. The Council agreed to the motion.

Mr. Cook, the Finance Secretary, then presented the Budget.

### *Possession of Minor Children*

The House then considered a Bill to control the possession of minor children by Sadhu Fakirs, religious mendicants, and certain other persons. It was intended to remove a standing grievance in the whole of the country by preventing minors, both Hindus and Muhammadans, from being induced to lead a life of mendicancy or commit crimes. The Bill concerned only boys and not girls, and required every person who possessed a minor to have him registered in the district from which he took the boy. The Bill was introduced, and it was ordered that it should be circulated for eliciting opinion.

## The Legislative Assembly

In the Assembly, on March 1st Sir Malcolm Hailey presented the Budget in a clear reasoned speech, which the House listened to in pin-drop silence. It took the Finance Member one hour to explain the salient features of his lengthy statement. He then introduced the Finance Bill to cover taxation proposals arising out of his financial statement.

The Secretary of the Assembly then read a message from the Secretary of the Council of State, announcing that the Upper



Chamber had agreed to the passage of the Delhi University and Emigration Bills passed in the Assembly.

#### Spreading Disaffection Among the Police

Sir William Vincent next moved that the Bill to provide penalty for spreading disaffection among the police be taken into consideration. The Home Member said that the measure was intended to punish, with imprisonment which may extend to two years or with fine which may extend to Rs. 1,000 or with both, any one who attempts to spread disaffection among the members of the Police force, and to induce members of the force to withhold services or to commit breaches of discipline. In view of the large number of amendments he was quite willing to send the Bill to a Committee proposed by Mr. Subramaniam for examination of the measure with care. The Bill, he said, was based entirely on the principles of the English Police Act and the dangers of disaffection among the Police were more acute and real in this country than in England. Indeed, members were aware that some of these efforts had been partially successful in some parts of the Provinces. He alluded to the number of cases where policemen had joined the non-co-operators and thrown up service under the Govt. At a recent session of the Congress Committee, arrangements were made for provision of funds to support those who leave Government service. That, he took, is an indication that further efforts would be made to seduce Police and soldiers from duty. Continuing, he said: "The security of this country depends very largely on the police. They are the first line of defence. They have been facing intimidation, brutal treatment at the hands of the mob and in many cases, murder. I hope that the House will realise the difficulties under which they work. It is intended not to prevent the subtle intimidation and subtle boycott, which it is difficult to prevent, but, indeed, to stop attempts to spread disaffection among the force that is the guardian of public tranquillity in this country. It is not intended by this Bill to interfere with the legitimate activities of Police Associations."

Mr. Subramanyam, in moving his proposition for the Select Committee, dispelled all doubts as to the attitude of the House towards the Bill. They were not out to weaken the hands of the Government in the maintenance of law and order, but wanted that, before the law was enacted, safeguards be provided against its abuse, and that it should be effective and easily workable.

Dr. Gour followed in a similar strain and pointed out the many risks which men would run even when giving *bona fide* advice to relatives serving in the Police.

Mr. Agnihotri opposed the Bill on the ground that there was no necessity for the protection contemplated by the measure. A



large amount of the present agitation was due to Police oppression in the past, and if the Bill was passed, they would be only adding to the weapons of tyranny which would be too promptly abused by the officers. The motion for Select Committee was put and agreed to.

#### Super-tax and Income-tax

The Secretary of the Assembly then announced that a message from the Secretary of the Upper Chamber stated that the Council of State had that day agreed to the amendment of the Assembly in the Bill relating to the law consolidating super-tax and income-tax. This announcement was greeted with applause and laughter by the members of the Lower House, who had thus gained their view.

#### The Press Act

Sir William Vincent then presented the Report of the Select Committee on the Bill to repeal the Press Act.

*DELHI—2ND MARCH 1922*

Next day non-official resolutions were discussed. Sir Vithaldas Thackersay, moved :—

"This Assembly recommends to the Governor-General in Council that a Committee consisting of the members of the Indian Legislature be appointed to consider and report at an early date as to what steps should be taken by the Govt. of India to encourage the establishment of necessary industries, so that as large an amount as possible of Rs. 150 crores proposed to be set aside for the rehabilitation of railways during the next 5 years be spent in India."

In moving his resolution, Sir Vithaldas reminded the House of the decision of the Railway Finance Committee that for 5 years to come 150 crores be provided for Railway capital expenditure, and impressed on the members that active steps to encourage the establishment of industries and manufacturing of railways should be taken so that as large an amount as possible of Rs. 150 crores in five years or 300 crores in ten years be spent in India. The latest figures supplied by the Railway Board for the 5 years' programme contains such big items as Rs. 18 crores for coaching vehicles and Rs. 4 crores for bridges. These articles could be manufactured in India, and what was wanted was a bold policy by which guarantees could be given to manufacturers that their products would be taken for Government requirements, at least at a rate at which it would cost them to import foreign articles *plus* customs duty. This was not a new policy, because a guarantee to purchase 20 thousands tons of steel rails every year for 10 years was successfully given to the Tata Iron and Steel Ltd., when it was formed. There was no reason why a similar policy should not be followed now. If the



Government thought that the ring of wagon manufacturers in England and other countries were moving heaven and earth to kill the Indian industry and dump her, then a dumping law should be enacted. He thought that there was a possibility of spending Rs. 25 crores in this country on wagons alone. It was estimated that out of Rs. 150 crores Rs. 110 crores were to be spent abroad, but if this recommendation was carried out, he was sure that no less than Rs. 50 crores out of Rs. 110 crores could be spent in India, thus bringing prosperity to this land by stopping India's pauperism which must result from the continuous drain on her resources.

The Hon. Mr. Innes, on behalf of the Government, pointed out that the Government and the mover were at one in principle, but the question was how to tackle the problem of what might be called the Railway Industry. While Sir Vithaldas would favour the appointment of a Committee of members of the Legislature to suggest how to encourage the establishment of necessary industries, Government thought that the better course would be to appoint a small Committee to revise and put into shape the formulae or the rules in accordance with which the Stores Purchase Department, which would shortly come into being, should purchase railway materials as well as other materials required in India. The Stores Purchase Department must conduct its business in accordance with business principles. Otherwise, there might be an appalling waste of the taxpayers' money. The definite objective of that department would be the encouragement of Indian Industries, but there must be no sacrifice of business principles. The Commerce Member then explained the difficulties of getting all the Railway materials in India, that India must, for the next few years, content herself with the partial manufacture of steel and other materials in this country and import the remainder of her necessities from other countries and so on.

Mr. Subramanyam criticised the Fabian tactics of the Government, and regretted that the Commerce Member could not indicate as to when actually Government would take practical steps to encourage Indian industries, while Sir D. P. Sarbadhikari urged a change in the angle of vision which would open a new chapter of constructive work.

Mr. Iswar Saran wanted the Government to make a declaration of policy that, as far as industrial and other kindred matters were concerned, preference would always be given to firms residing in this country, whether owned by Hindus, Muhammadans, Christians or Europeans.

Mr. Chatterji, the Industries Secretary, on behalf of Govt. replied to Mr. Subramanyam's charge of Fabian tactics of the



Govt. and repudiated the belief prevalent in the country that it was the secret policy of the Govt. not to encourage Indian Industries to the detriment of British Industries for which India has been deliberately made the dumping ground.

Mr. H. Vishindas and Mr. Ginwalla very effectively replied to Mr. Chatterjee. Mr. Shahani then moved an amendment to the resolution by adding to it the words "and also to advise the Govt. of India in regard to the revision of Indian Store Rules."

Mr. Innes accepted the amendment of Mr. Shahani which, he said, covered the Government point of view. The original resolution of Sir Vithaldas with the addition of the words as proposed by Mr. Shahani was put and carried.

#### Reconstruction of Malabar

Mr. K. Mupil Nair, member representing Malabar, moved that a mixed agency of officials and non-officials be appointed to report on the distressed conditions in the parts affected by the Moplah outbreak and to suggest such relief as is necessary. He painted a gloomy picture of the devastation and destruction at the hands of the rebels. The number of refugees was appalling and there could be no two opinions as to the necessity of urgent measures for reconstruction. He had brought his proposals to know what steps the Government was taking, or going to take and to put forward his own suggestions. After Sir W. Vincent had replied that all necessary measures were being taken by the Madras Govt. and that there was no reason why the Central Govt. should interfere with the work of the local Government and incur expenditure for it when not asked, Mr. Nair withdrew his resolution.

#### Privy Council in India

Dr. Gour, on behalf of Mr. S. P. Bajpai who was not present, moved for the establishment of a Privy Council in India as recommended in the Montagu-Chelmsford report. The mover said that his intention was to constitute a Privy Council on colonial lines for the purpose of advising the Viceroy upon matters of policy and administration. The Government might constitute a Privy Council consisting of a few representatives of both the Houses of the Legislature, elected for their ability and capacity to thresh out questions of high administrative policy and not merely representatives of Indian States, or persons representing wealth and privileges. The constitution of such a Council would not entail any cost, and there would be no payment to the members of that body.

Mr. Rangachariar very strongly opposed the resolution, and asked : If you want a body composed of the members of both the Chambers of the Legislature to advise the Viceroy, then what are



we here for ? Are you going to surrender the functions and liberties of this Assembly to make recommendations to the Viceroy in order to become dubbed, I suppose, as Right Honorables ? The very arguments of the mover are against accepting the resolution. Mr. Rangachariar was followed by a large number of non-official members who were all unanimous in their opposition to the resolution.

Mr. Vishindas asked the House not to swallow that bait of Dr. Gour, and remarked that the Privy Council which was suggested by the mover would only consist of sycophants and title-hunters and would serve no useful purpose.

Dr. Gour briefly replied to the debate, but in the end withdrew his resolution.

DELHI—6TH MARCH 1922

### The Budget Debate

On March 6th the Assembly met for a general discussion of the budget. At the outset the President announced a communication from the Governor-General that they could discuss all items of the Budget including subjects under sub-section 3 of section 67 A of the Government of India Act.

Mr. Harichandrai Vishandas, of Karachi, opened the discussion by complimenting the Finance Member on his lucid presentment of India's financial situation, and remarked he could not take the same optimistic view of the future as Sir Malcolm Hailey did. He referred to the taxes on salt, kerosine, oil and cloth, and said that they constituted a heavy burden on the poor people. In his opinion the whole trouble arose out of the abnormal growth in Military expenditure. The definite non-possumus attitude which the Government hitherto adopted in regard to non-official proposals for curtailing Military expenditure should now be changed and the pruning knife must be applied thereto, especially as there were no Afghan or Russian bogey. In conclusion, Mr. Vishandas declared that in case of Military expenditure no case had been made out for the necessity of additional taxation, and urged that Railway Finance should be separated from General Finance as recommended by the Railway Finance Committee.

Mr. Rangachariar, characterised the Budget as the most depressing and as an eye-opener Budget. It was quite true that Indians had been put on the road to Swaraj, but they were asked to run an obstacle race. He characterised as criminal folly the process of under-estimating the expenditure and over-estimating the Revenue which had been observed during the last few years, and remarked that this process was responsible for the light-heartedness with which fresh



expenditure had been sanctioned. He said : It was a cruel test to impose upon this country to show its fitness for Swaraj with these menaces of heavy deficits placed upon its weak chest and hands. The conditions on which this Assembly gave its acceptance to the proposals of taxation in last year's Budget had not been fulfilled in the course of the last twelve months, and this House has yet to know the nature of the recommendations made by the Military Requirements Committee appointed last year and the opinion of the Sub-Committee appointed in England with reference to their report. It was all very well to succumb to the opinion of experts in regard to military matters, but in the matter of the financial capacity of the country, he was not willing to surrender the judgment of this House. The Military Budget was really appalling and crushing, and in his opinion there was no necessity for maintaining three-fifths of the infantry for internal security. The announcement that H. E. the Viceroy had given permission to the Assembly to discuss the Military expenditure came at the eleventh hour and that permission was worse than useless. H. E. the Viceroy, in his speech in opening the Simla Session, said that autocracy was at an end, but Mr. Rangachari's views was that, so far as financial matters were concerned, autocracy was not at an end. It would not be right for this Assembly to sanction the Military expenditure, because they would thereby be only standardising it. He maintained that no case had been made out for the taxation proposals.

Mr. Darcy Lindsay said : "I do not like this most deplorable budget that has ever been the fate of India to receive." As for the expenditure, he believed that there was necessity for drastic retrenchment in every direction, and as for taxation proposals they seemed to him like the illegal practice adopted by certain milkmen in Bengal for milching cows. He complimented the Finance Member for his ingenuity and imagination in the selection of items for taxation. The Finance Member had told them that he had explored all channels. The speaker did not believe it, for if there was a competition for suggestions for these proposals, Mr. Lindsay was sure there would be a number of proposals, including taxation on silver import, excise duty on sugar, timber, etc., but what he would advise the Government to do in order to cover the appalling deficit was the issue of premium bonds which had proved to be very popular and profitable in the case of foreign Governments. If the Bengal Government had taxed betting on races by calling it an amusement tax, why should the Government of India have any conscience with regard to premium bonds. His other remedy was not the usual panacea of a Committee of the Assembly with non-official majority (laughter), but the appointment of an expert in taxation



to advise the Finance Member, whether or not the basis of our taxation was not as broad and as firm as it could be made.

Touching separately the proposals for taxation, he pointed out the grave result which every businessman knew must accrue from the continuous volcanic upheavals in import trade by increase in duty. The necessary adjustment in retail prices consequent on last year's enhancement had hardly been made when another bombshell was proposed by the Finance Member. Moreover, he was sure that high taxation would bring about a fall in consumption and another disappointment to the Finance Member's expectations. Further taxation on machinery, iron and steel material he regarded as retrograde, as hindering the industrial development of India. (Hear, hear.) The increase in *ad valorem* duty was unduly severe. The extra duty on textile goods would be severely felt by the masses. Objections to the increase in duty on matches and salt were more sentimental than real. High taxation on the so-called luxuries should be abolished although Americans would welcome it as it would oust the British and Continental Motor Cars and the proposal for a 25 per cent increase in railway fare was very drastic. He objected to railways being exploited for meeting deficits, and urged that concessions should be shown in cases of suburban and pilgrimage fares. He said that in the special circumstances of to-day he would have supported the Finance Member in leaving uncovered a bigger amount of deficit than three crores; for he was afraid that further taxation would lead to economic troubles which, on the other hand, demanded an early removal. He concluded that the budget will be welcomed by Non-Co-operators as adding fuel to their smouldering fire and giving a fresh lease of life to Non-Co-operation which was not otherwise very long to live.

Mr. J. Dwarkadas, after condemning the huge and unconscionable Military expenditure of the Government said:—The first year of reforms, we were asked to vote an additional taxation of 18 crores. This year we are asked to face taxation of nearly 30 crores. What a good beginning we have made! In the first two years of reforms, this poor country is asked to bear an additional burden of a huge taxation of nearly 50 crores. Can there be a surer way, I ask the Government, of making the reforms a failure? At the moment when the whole country is faced with a grave situation created by the activities of Non-Co operators, I fail to understand what prompts the Government to come before the country with a proposal of this character, asking it to vote an additional taxation of nearly 30 crores. I do not speak here in the interest of one party or another. Everyone of us is here to speak what he thinks is right in the interests of the country, and I cannot help feeling that if the Govern-



ment persist in the policy of asking the country to face this absolutely unjustifiable and unbearable burden, they will be doing everything in their power to defeat the aim we have at heart at making the reforms a success (Hear, hear), to shake the solid faith that we have in the reforms, and to help the activities of those who are out to overthrow the Government.

I first come to his proposal to double the salt tax. I ask him whether he realises or not that while the incidence of three annas per head seems to him a trifling sum, average men in India, whose income per head is insignificant, will be affected considerably by the doubling of duty. I think I am right in saying that the teeming millions of India consider salt a necessity, and I want the Finance Member to remember that most of them are vegetarians, and, therefore, for them salt is a necessity. They have all along protested against the duty on salt. Will they be prepared to bear this additional burden? I am afraid they will not. And again, I repeat that increasing salt tax is encouraging the growth of discontent among the masses who are already being exploited by Non-Co-operators. Let us come to the argument of the Finance Members that, when the country is faced with a deficit, customs is one source to which he may look for additional revenue. But I submit that he has made a great mistake in including among his proposals the excise duty on cotton goods. He says: "In framing our proposals, we have, however, endeavoured to preserve to the greatest possible extent the general character of the present tariff and the general relation INTER SE of the various duties." I question, Sir, the truth of the remark. I ask him whether when he proposes to levy additional customs duty on cotton goods, he departs or not from the principle that has been laid down by his predecessors. In 1916, when the import duty was first raised by Lord Hardinge's Government, definite promise was given both by the Finance Member's predecessor and by Lord Hardinge that however much the import duties, which revived all the bitter memories of controversies between Lancashire and India of old days, which led great statesman, like Mr. Gokhale to declare that the darkest spot in the administration of India was selfish fiscal policy that was imposed on India, which has afforded an unjust protection over India in beginning other industrial developments. That that duty will remain intact, and not only remain intact, but will be abolished.

The Finance Member : Will the Hon. Member kindly give me reference for his previous statement that it will never be increased.

Mr. Jamnadas : I shall just quote the words of Lord Hardinge himself to prove the correctness of my statement. Lord Hardinge said in his Budget speech in 1916 :

"Sir William Meyer has explained the attitude of His Majesty's Government towards the proposal made by the Government of India that in the new taxation proposed by this budget the import duty on cotton should be raised, leaving the excise duty on cotton at the present rate, an assurance being given by His Majesty's Government of the future abolition of excise duty as soon as the financial situation would permit of such a course, and further, I need hardly say that the Government of India have no desire to create controversies here in England, or anywhere else at the present time by a discussion of questions affecting Indian interests, but they are glad to have had the opportunity of placing on official record their views that the import duty on cotton fabrics should be raised and that the excise duty should, for the present, remain at its actual figure and an assurance given that it will be abolished as soon as financial considerations will permit." I ask the Finance Member



whether it amounts to this or not that the intention of Lord Hardinge's Government, although they could not abolish it at the moment, was never to enhance it in the future. But why has the proposal come from the Finance Member? He says that he maintains the character of the tariff. A policy was laid down in 1916 and it was subsequently carried out last year of raising for purposes of revenue import duties as occasion required and of leaving excise duties intact.

Now I would ask the Finance Member whether he does or does not depart from that policy. Sir, I do not want to go into the history of the Excise duty. The House is aware that the very mention of the excise duty revives in our minds the old and bitter controversies between Lancashire and India when our interests were always subordinated to Lancashire's. I want to ask whether or not the Finance Member has unconsciously, perhaps, played into the hands of the Lancashire people when he comes out with the proposal to increase the duty. Throughout last year, we have seen that an agitation has been going on in England from day to day, asking the Secretary of State to lessen the burden of import duty and to raise countervailing excise duty. It is well-known to the House that, while the imported cloth is used by the masses and when you place an additional burden of 4 per cent on mill-made cloth, it is not the mill-owner alone who will meet the extra cost from his pocket, but the poor consumer who will share an additional burden. I ask the Finance Member when England was faced with the gravest financial considerations during the war and when every possible and conceivable avenue of additional taxation was explored, did ever a y one in England venture to suggest that the production of cloth in that country should be taxed. Does he mean to say that if such a proposal had been made in England it would not have met with the greatest possible opposition from Lancashire. And yet in India the proposal of that character for taxing the poor consumer for the necessity of life is made, and we are told that we must look on it with equanimity, because financial consideration of the Government demand that such a duty should be levied. Sir, I think that the House will be at one with me when I say that not only this House, not only millowners in whose interests certainly I am, not standing here, but the whole population of India resents strongly the levy of this duty. If in 1922, the second year of the reforms, this proposal is persisted in by the Finance Member, the only inference that we can draw from it is that it is not this Assembly which is to guide the Government with regards to its future policy, but that our interests are still to be subordinated to those of Lancashire, and that we are to be ruled in the interests of, and at the dictation of Lancashire.

Sir, I strongly protest against this excise duty and I feel that considering the times in which we are living to-day, no more unfortunate proposal could have been made by the Finance Member. I want to point out, Sir, that along with this duty, the additional duty of 2½ per cent on machinery and additional 10 per cent on stores, dye stuffs and sizing materials will increase the burden of the industry of India, and the principle that underlies all proposals of this kind will have the effect of penalising industries in India, on growth of which depends our future prosperity.

There is, again, a proposal to increase railway fares. I submit, Sir, that even if a case is made out for the necessity for increase, I hope the House will see to it that no additional burden falls on the third class passengers who are being very badly treated in comparison with the revenue they pay.

Mr. Percival, of Bombay, referred to the charge of non-official members that there was too much extravagance on the part of the Government, and quoted the opinion of Lord Seibourne on the



question of the Government of India's economy. Lord Selbourne had stated that the Government of India was an ideal Government with a very small manpower and with the smallest possible budget and, what more, certain departments of the Government of India were entirely undermanned and grossly over-worked. The administration was run on the lines of economy and cheapness.

Mr. Rangachariar : What is the date of that opinion ?

Dr. Gour : Is it a contribution to the *Punch*. (Laughter.)

Mr. Manmohandas Ramji entered his most emphatic protest against the proposals of the Finance Member for additional taxes on the already heavily taxed people, and remarked that there was not the slightest indication in the whole budget for any retrenchment. He strongly protested against raising excise duty and characterised the duty on machinery as unwise and unjust, and asserted positively that no nation on earth would have tolerated such treatment from its Government. Imported piece-goods was taxed less, while the countervailing excise duty on cotton was raised enormously. Was this the way, he asked, in which the Government of India was going to protect Indian Industries ? Referring to the crushing Military expenditure, Mr. Ramji said that even at the risk of efficiency of the Army and even at the risk of safety the Government of India must reduce the Military expenditure by Indianising the Service, by withdrawing from Waziristan and by effecting economy in every possible direction. Otherwise, it would not be possible to govern India. He said : I must protest very strongly and oppose all demands for new taxation except increase in customs duties with the exception of machinery and stores. It will be best for this House not to become a party to the increase of taxes. (Cries of 'hear, hear'.) Let the Government do what they like on their own responsibility. (Cheers from the Democratic Party.)

Mr. Spence of Bombay said that the budget was, indeed, a budget of tears, but tears could not contribute anything to the revenue (Laughter.) He tributed the statesmanship of the Finance Member for proposing new taxation upon consumption rather than upon production in this transitional period of our fiscal re-creation. He thought that much of opposition to the increase of cotton excise was due to the introduction of the word "Excise". What was proposed was not really an excise, but a tax on consumption. The re-naming of the duty would make opposition disappear. (Cries of "no, no".) He urged a higher duty on yarn, and suggested that a good return would result if the tax on imported cigarettes was calculated at Rs. 4 per pound instead of at *ad valorem* basis. He felt surprised that, among the taxed luxuries, the most cons.



picious luxuries of gold and silver were not included. He believed that the duty on the import of gold and silver would not only help exchequer directly, but would serve to steady exchange. The financial statement was not so remarkable for what it contained as for what it omitted. The necessity of the moment was stability of of exchange and some effort to produce a scheme of forward finance which would lead to eventual assimilation of the indigestion in our finances created by the war. But on these points the Finance Member was silent in his speech. He regretted the Finance Member had said nothing about the two Committee which recently sat on Government securities. He asked the House to have patience and to consider his proposals.

Mr. Seshagiri Iyer felt surprised at the view of Mr. Spence which was more optimistic than even that of Sir Malcolm Hailey. He said that despite the Assembly's repeated warnings, the Government had not cut down its estimates. The deficit was of its own making, and Government alone must share the responsibility for it. His view was that cotton excise duty has been raised as countervailing to the enhancement in customs duty in order to placate Lancashire. He strongly protested against Mr. Spence's suggestion for taxing yarn as any such attempt would kill handloom industry and throw out of employment millions of workers, the majority of whom were in his own province of Madras. He admitted that some extra expenditure was due to the political situation, but the Government was also responsible for the present tension. It had not responded to the efforts of a certain section of the people at conciliation. He said that the other day he read in a Reuter's cable that the proposal of reducing British troops in India by 7,000 was now given up. He asked why it was so and who was responsible for the turning down of the welcome proposal? One of the remedies for meeting the deficit was that contributions from Indian States which were fixed several years ago should now be enhanced considerably, thus bringing additional revenues. Then again, the Government of India should help Provincial Governments by removing the statute which stood in the way of Local Governments from deciding upon permanent settlement. After pointing out the heavy increases in the Civil and military estimates, he said if the Assembly refused to take the responsibility for the Governments' mistakes, the Finance Member, who had last year patted them as good boys, might now consider them as naughty boys.

Sir Vithaldas Thackersey characterised the Budget as the insolvency Budget, and associated himself with Mr. Jamnadas's condemnation of the excise duty on cotton. The cotton industry



in India could supply 80 per cent of the demands of the poor if properly encouraged instead of the 40 per cent as at present, and it was, therefore, most unwise to put a tax on the production of cotton by 20 or 25 per cent. The principal competitor in the market was not Lancashire, but Japan with her cheap freight for raw materials and with a home market fully protected. By this excise duty on cotton every head of the population was taxed ten annas which was really unbearable. Sir Vithaldas next criticised the exchange policy of the Government, and urged the Government to reduce their budget loss by at least, eleven crores. In order to do this he suggested the revaluation of assets at one shilling four pence instead of at two shillings, debiting to the revenue the amount they paid for buying railways, and the reduction of Military expenditure. He urged the Government to give an assurance that they would reduce Military expenditure, and observed it was on that assurance depended the attitude of the Assembly in regard to the Budget.

Col. Gidney accused the Government of financial profligacy, and while not being desirous of reducing the Army by one single man or by one single gun he strongly urged the Government to effect economy. He said that the supply and transport corps should be managed by expert business men rather than Military people, and declared that there was great room for economy in the Military Works Department as well as in the nursing service. The Non-Co-operation movement of Mr. Gandhi was responsible also for the financial stringency, in which the country was placed, and asked the Government to state how much the Budget was affected directly or indirectly by that movement.

### Other Speakers

The debate lasted for five hours, altogether 16 members participating. The European point of view was represented by Messrs. Lindsay and Spence. Of the 12 Indian members who spoke, some in mild and some in severe language, all condemned the policy of the Govt., specially its military policy. The Bombay members severely criticised the proposals for the enhancement of duty on machinery, cotton and salt. Further discussion on the budget was taken up next day, the 7th March.

### DELHI—7TH MARCH 1922

Dr. Gour referred the Finance Member to the conclusions of the International Financial Conference at Brussels. That Conference had asked that the maximum rate of military expenditure should be twenty per cent of the revenues of any country. Then, again, the



International Financiers had warned the countries against budgeting for deficits, which bring about ruins of countries. He asked the Finance Member whether he realised the dangers of his Budget. As for non-officials they were determined to arrest its evil powers. He said that during the last four years there have been 90 crores of deficit and asked—were the House going to finance Government at that rate? (cries of 'No.' No.) He strongly objected to the duty on salt and particularly the enhancement of the countervailing duty on excise cotton which had made Lancashire jubilant and which appeared to him as having been dictated by the Secretary of State.

Sir Malcolm Hailey repudiated emphatically the statement that the excise cotton duty had been imposed on the suggestion of or pressure by the Secretary of State, and asked Dr. Gour to withdraw it.

Dr. Gour :—Well, then it was a case of two big political bodies thinking alike. Lancashire said, 'how much I should love to have countervailing excise cotton duty, and the Finance Member said 'how much I should like to impose it.' He pointed out that the Retrenchment Committee which was proposed to be appointed must be given the power of super-tax and to recommend cuts in all items whether civil or military.

Sir Montagu Webb, admitted that the present Budget was highly unpopular. In fact, every deficit was a danger, but now it had occurred, due to causes beyond Government control. There were various ways of covering it; but whatever means were adopted the least dangerous and, in the long run the least expensive means was by additional taxation. Coming to expenditure, he agreed that the military expenditure was greater than this country could bear. In 1914, the Army cost thirty crores, and, in view of increased cost all round, he would not mind if its cost now was between 45 and 50 crores.

Dr. Gour—No; that is still too much.

After all, he said that the danger of attack by a first class European Power, which had dictated the policy in the past, had disappeared. Among the proposals for fresh taxation he objected only to the enhancement of tax on machinery. His own suggestion was that the old duty on silver be re-imposed, thus not only covering a portion of the deficit but also stabilising the Exchange, which might otherwise land the finances in another heavy deficit next year. He urged Government not only to follow the maxim that revenue should be raised to meet expenditure but to follow the motto of reducing the expenditure to fall in line with the revenues.

Mr. Cotlingam said that in face of the Non-co-operation movement he could not see how the Army could be reduced but hoped



that the Waziristan Expedition would not continue to be a burden upon the tax-payers.

#### H. E. The C-in-C's fighting Speech

The Commander-in-Chief explained his inability for the proper discharge of his duties to recommend any reduction in the strength of the Army or the elimination of the British element at present, in view of the internal situation. They were not going to cease to dominate the Frontiers, especially those *Badmashes* of Waziristan, said the Commander-in-Chief, and alluding to the Indianisation of the Army and the report of the Military Requirements Committee, His Excellency counselled patience.

His Excellency said : India under the Reform Scheme is marching towards the Dominion status and Self-Government ; but some of her keenest politicians, not content with the march of events, desired to run or even fly. He admitted that the Army and the Civil Services must eventually be Indianised ; but it would be several generations before such a complete development could take place. He warned the House that it was dangerous to gamble with the efficiency of the Army with a hereditary enemy sitting on the Frontier. He emphasised that the internal situation gave cause for serious anxiety to-day, and the ability of the Government to maintain law and order would, he feared, be seriously tested at no distant date. He would not be fulfilling his duty as a Military Adviser if he agreed to reduce the troops. The surest road to economy in the Military Budget lay in the creation of a loyal and contented India. The Army was the only bulwark against chaos and disorder, and those who under-insured against foreign aggression or rebellion would come to grief.

Professor Shahani urged a definite announcement in favour of the gold standard and said that the rate of Exchange for the rupee should be fixed at one shilling four pence and the present rate at two shillings cancelled. It was unjustifiable, in his opinion, to keep India's surplus in a foreign country and so he advocated the location of the Paper Currency reserve in India, only just the gold sufficient to pay the Reserve Councils for a period of three weeks being kept in England. In the meantime, strenuous efforts should be made to develop banking facilities so that the habit of hoarding might be put an end to. He criticised the Military Expenditure and urged its reduction from the point of view of the stability of the Indian Finance as from that of the welfare of the people whose taxable capacity was small. England should bear a portion of the Military expenditure because the Indian Army was intended to safeguard Imperial interests.



Mr. Bray, the Foreign Secretary, said that the Frontier problem of India was one constant struggle with the forces of Nature. Although for the moment the horizon there was clear, the position there was that they had a narrow strip of British territory, then a block of inhospitable mountainous country, peopled by tribesmen, truculent and savage, and then was the Afghan Frontier. If only this mountainous block had been situated somewhere else, then India's Frontier problem would not be very serious. Raiding was their principal occupation; and helped with the supply of arms by unscrupulous exporters, these hot-headed Pathans were committing violence in greater and greater degree. There was no tribal hierarchy among the people in Waziristan, with whom the British could deal or through whom they could exercise control. The Government had been forced into Waziristan not by a policy of military invasion, by no dream forward policy, by no desire of military expense and certainly by no mirage. They had been driven to it solely to secure a reasonable security for life and property of the sorrow-stricken fellow-subjects of the Frontier. Russia was setting up a ferment in the Moslem States of Central Asia. In fact, the Frontier was policing India and enabling the merchants in Bombay, Calcutta and Madras to carry on their associations.

A storm of protest, following the last two speeches, seemed to agitate the House. Mr. Iswar Saran condemned the Commander-in-Chief's speech which was universally resented by the Indian Members as intemperate and unbecoming of that House, and asked how long poor India was to wait for any reduction in the military expenditure. The Commander-in-Chief stated that he had postponed several items of Army expenditure till the next year. "Are we then to understand", said the speaker, "that our expenditure next year will be larger than what it is this year?" His Excellency Lord Rawlinson said last year that "if our agreement with Afghanistan is satisfactory, if Bolshevik menace disappears and internal situation quiets down" then he would be prepared for reduction in the military expenditure, and now, to day, while Mr. Bray says that "the horizon on the Frontier is clear", the Commander-in-Chief says that the ink with which the Afghan Treaty has been signed is not dry." How long then are we to wait? When will this ink be dry?

Mr. Yamin Khan thought that this insolvent and bankrupt Government required to be taken over for management by some Court of Wards.

Mr. Kamat said that the Commander-in-Chief's speech had disquieted and distressed them more than the Budget itself. While the Indian members of the House did not agree that they should fly to attain Swarajya, they certainly would not crawl. He de-



mandated that the Government of India, despite the advice of a distinguished soldier like Lord Rawlinson, should direct that it would finance the Army according to the capacity of the country. If the Indian military policy was to be in consonance with the Imperial policy, as recommended by the Esher Committee then the Home authorities would share India's military burdens; otherwise the Government of India must be free and should grant the Army Department only what India could afford. The issue before the House was not only the sanctioning of the big deficit this year but some deficits in the coming year if the Military Estimates were not reduced.

Mr. Joshi said that if the Government wanted to avoid a defeat of the Finance Bill it should co-operate with the House and should try its best to effect reductions. He strongly objected to the statement of the Commander-in-Chief that several generations must pass before the Army was Indianised and deprecated the decision that Indianisation would be delayed because of the soldiers' disloyalty in some stray cases. He asked—"Were not British troops amenable to the Bolshevik influence and was not in the face of that cutting down their expenses?"

Sir Malcolm Hailey replied to the debate at length. He said that Government could never agree to any reduction of the Military Expenditure this year and that he would stick to his proposals for raising fresh taxation. He admitted that he did not like taxing machinery; but the increase in duty was solely contemplated for purposes of raising revenues from all reasonable sources.

He told the House that any further constitutional advance of India was to be decided by the Imperial Parliament and warned the members against talking in regard to the budget, which would strengthen the party at Home, which held that "India is and never was and could never be capable of working the Reformed constitution for the purpose of early attainment of a responsible Government. 'Our courses' he added, 'is clear; we, my colleagues here and Lord Reading's Government stand for the progress of the Reforms along the constitutional avenue which has been laid down by Parliament. Are you going to do anything to injure or forward the case of that constitutional advance?'

#### DELHI—8TH MARCH 1922

The Legislative Assembly met on 8th March and had a short sitting lasting half an hour during which formal legislative business was transacted.

The first motion was in the name of Mr. Innes, Commerce member asking for consideration and passage of the Bill to regulate the



employment of child labour in parts of British India as required by the League of Nations. After the Bill had been taken into consideration Mr. Joshi, Member representing Indian labour, pointed certain objections in the operative clause as drafted, and moved for adjournment of debate on the Bill. The House thereafter agreed to adjourn the consideration of the measure.

#### Official Secret Bill

Sir William Vincent next introduced the Bill to assimilate the law in British India relating to official secrets to the law in force in the United Kingdom. He said that the Bill was intended to remove some confusion arising out of several existing laws on the subject and intended in some cases to remit the severity of the present law. The Bill, he said, would not be hurried and would be later circulated for public opinion.

#### Cotton Transport

Mr. Innes next introduced his Bill to provide for restriction and control of transport of cotton in certain circumstances. The statement of objects and reasons attached to the Bill fully explained the necessity for the measure. It ran thus.—The Indian Cotton Committee which was appointed in 1917 brought to notice (1) that the practice of adulterating long staple cotton with short staple was very prevalent at gins and press houses in certain long staple areas, the object being to secure for the mixture the higher prices offered for long staple, (2) that owing to consequent mixture of seed there was considerable deterioration in the cultivation of many of the superior varieties of cotton, (3) that soft cotton waste was also used for the purpose of adulteration with “Kapas” (the natural floss) and, (4) that soft staple cotton was frequently railed to a long staple area and re-booked thence even without mixing as long staple cotton into the Broach tract, the result of which has been that Broach cotton has largely lost its former reputation. Other superior varieties of cotton are threatened with the same fate. The practice described under (4) above was facilitated by the trade custom whereby cotton is bought and sold on the name and reputation of the area where it purposes to have been grown. These malpractices are exercising so seriously and dangerously an influence on the industry as a whole that the necessity of taking Government action had become a matter of immediate importance. The Bill provided a remedy by enabling local Governments to prevent inferior cotton or cotton waste, as defined, from being imported except under licence into areas which it was desired to protect.



## The Council of State

*DELHI—8TH MARCH 1922*

On March 8th. the Upper House began the discussion on the Budget. Sir Maneckji Dadabhoy opened the discussion. He said that he spoke with a heavy heart ; while realising the difficulties of the Government, he remarked that the principles underlying the Budget were unsympathetic and retrograde. The Army expenditure had been growing by leaps and bounds and no country in the world spent 50 per cent of its gross revenue on its Military. Despite what His Excellency, the Commander-in-Chief, had said in the Legislative Assembly Sir Maneckji maintained that there was great scope for retrenchment in the Military expenditure. He advised the Government to come back to their natural boundary line on the Frontier, and strongly protested against any unnecessary annexation or progression in that border. They must evacuate those Frontiers, because India could not afford to spend year after year her tax-payers' money on the off-chance of civilising the fanatical people of Waziristan. Instead of pacifying the Frontier tribes, the Government might as well pacify the tiger in the jungle. Referring to the cotton excise duty he said that he regarded it as wrong in principle and wholly indefensible. No European country had imposed a tax of the nature, and if any Government had done so in Europe that Govt. would not have survived for 24 hours. The Mill industry was the only industry that was properly growing in India and the excise duty would only throttle it. The sudden jump of duty from 2'5 to 10 per cent. was most unjustifiable and it was contrary to the assurances which Sir Malcolm Hailey gave last year. It would be better to remove the excise duty on cotton and raise the Corporation tax from one anna to one and half annas. A moderate duty could also be imposed on the export of seeds, manure, wheat and rice and import of coal could be taxed as well to a reasonable extent. He said that the Government must make a sincere attempt to recast the Budget and remove the taxation proposals which were extremely unpopular.

Sir Arthur Froom thought the Budget was not a bad one, and said that the proposals contained therein were only expected in view of their financial difficulties. He was in entire agreement with the Commander-in-Chief and the Finance Member that the Military expenditure could not be reduced, and felt convinced that the Army Department had done everything in the direction of economy. It must, he said, be remembered that India had not got to maintain a Navy like other countries. Japan, for



instance, was maintaining a navy the cost of which was a third of their budget, and so India must at least maintain an Army not only against external invasion, but also for internal security.

Mr. Phiroze Sethna considered it most unfortunate that the Reforms had been heralded with a terrible set back due to gloomy financial position. He felt that if the Government of India had not given one hundred million sterling to England during the War in desperate hurry and without practically consulting the country, India's balances would have been on the right side, and they would not have faced the deficit of 90 crores during the last four years. The only way out of the difficulty was retrenchment. The cry all over the world was for reduction. The Geddes Committee had recommended big cuts in England, and in India they could only effect a material reduction by lowered military expenditure. Despite Government explanations, the country would remain unconvinced of the necessity of the high military expenditure, and the Assembly should refuse to vote grants unless the Government made up their minds to substantially reduce the military estimates. Retrenchment alone was their salvation. But if money was to be found by Government, it should be found from sources other than increases in excise cotton duty, duty on machinery, salt, and enhancement of postcard rates. If cotton excise was not increased as the result of wire pulling, then he asked, why, as masters in their own houses, they should tax themselves to benefit Lancashire? While in the case of Lancashire, the duty had been raised by 4 per cent, in the case of the Indian Mills the increase would be greater as they would have to pay more than at present for importing machinery and other necessities. If the Government wanted revenue, they should not have gone back upon Lord Hardinge's promises about that duty, but should have raised the general customs from eleven to twenty per cent instead of fifteen. The increased duty in the case of machinery might not kill industries, but would certainly retard their progress.

Professor Kale said that they had been presented with an impossible budget. He blamed the Government for mismanagement of finances, thereby bringing the country to the present crisis. His objection was that almost all proposals for fresh taxation would fall to the lot of poor people. This year's budget was the most dismal and uninspiring that had been his fortune to read. He would have considered the desirability of fresh taxation if it had been dictated by expenses for the improvement of the nation-building departments. No representative of the people could support the budget as presented.

Raja Sir Harnam Singh declared that the only way of saving the country from bankruptcy was economy and retrenchment. The



financial statement as presented was extremely unsatisfactory and discouraging. He said that the Indian military expenditure had reached an appalling height. He opposed the increase in duty on salt.

Lala Sukhbir Singh admitted that the high prices were responsible for swelling expenditure, but correspondingly with the increase in prices the revenue had also considerably risen. It was the duty of the Finance Member to see that the expenses were brought down to the level of the country's income. Conciliation rather than military force should be resorted to meet the present discontent, thereby reducing military expenditure. He criticised at length the various taxation proposals, and appealed to the Finance Member to recast his budget in the light of the suggestions which had been made.

Mr. Lallubhai Samaldas thought that the Government Members should put their heads together and devise some means of getting out of the impasse. He appealed to the Commander-in-Chief to cut down the expense on military, if not in its strength, and urged that a good beginning should be made towards the Indianisation of the Army, so that India might attain Swaraj in the real sense of the term as early as possible.

After a few others had spoken the Commander-in-Chief made a long statement trotting out the usual plea, and then referring to his remarks in the Assembly on the previous day which had given so much offence to Indians in general, said that he made the following remarks in connection with India's progress towards Dominion Status and Self-Government. He said that in company with other department of the State the Army must eventually be Indianised. But will it ever be possible either in the Army or in the Civil Services to completely Indianise them and to wholly eliminate the British element either in one or in the other? I venture to think that it will be, at least, several generations before any such development can take place. In explaining it away, he said: "I want to say that we were making a beginning in the case of the Army. I understood that my remarks have been misinterpreted as meaning that the Government of India proposed to defer the policy of the Indianisation for many years. It was far from my intention. On the contrary, I am endeavouring loyally to carry out the policy of the Government of India, with which I am in complete accord, to substitute Indian for British officers in the Indian Army as rapidly as possible, consistently with the efficiency of the Army for which I am responsible. All that I meant to convey by my remarks, which in this connection are an expression of personal views, was this, that I do not believe that India will wish for several generations, at least, if indeed ever, to



deprive herself entirely of the services of British Officers, Military and Civil, who have done in the past as they will assuredly do in the future, great work for the country, to which so many of us have devoted the best years of our lives."!!!

Sir Dinshaw Wacha then rose. He thought that India had benefitted a good deal on account of the War, as was evidenced by the trade boom in 1919 and 1920. If the Government of India's finances had grown worse, it was because there had been, for some years past, accumulation of small deficits, and because of the fact that expenditure was allowed to outrun the revenue. The other factor was that railway surplus has been allowed to be mixed up with the general revenue, instead of utilising it for the development of railways. However, past was past. Now considering the taxation proposals, the excise duty on cotton was the most monstrous and uneconomical taxation. Never in the history of any country had there been a tax on indigenous industry of such a useful commodity as cotton, and Sir Dinshaw, therefore, appealed to the Finance Member to consider the question of its reduction from the point of view of the half-clothed and unclothed humanity in India. He similarly pleaded, on behalf of the poor masses, for a substantial reduction in salt duty, and advised the Government against over-burdening the already burdened animal. Concluding, Sir Dinshaw vehemently spoke against the increase in military expenditure. This increase was largely brought about by the War Office absorbing Indian revenue consequent on the amalgamation scheme which, he said, must be abolished.

After a few others had spoken Sir Malcolm Hailey, in winding up the debate, covered in the main the grounds traversed by him yesterday in the Assembly, and concluded by making it clear that his yesterday's remarks about the effect of the Assembly's attitude towards the budget were neither a threat nor a challenge. Rather the threat and the challenge came from the non officials, who had said that they would wash their hands off the budget and would leave the sole responsibility therefore to the Government. He had only asked the Assembly to consider what the effect of such an attitude would be in regard to their aspirations for speedy advance on the path of constitutional reforms. He added : " my words were, I emphasise, simply the advice of a friend who has always been interested in India's advance on the path of constitutional reforms. It is the advice of a friend to those whom that advice would profit and so help, and it was given in that spirit and that spirit alone."



## The Legislative Assembly

*DELHI—9TH MARCH 1922*

The President announced that the Speaker of the House of Commons had intimated that he (the Speaker) would be glad to allow special facilities to any member of the Central or Provincial Legislatures of India, who would go to England to study the procedure followed in the House of Commons.

### Release of Ali Brothers Urged

Mr. Muhammad Schmnad, the Mopla Member, moved his resolution asking the Government to move His Excellency the Viceroy to release the Ali Brothers and others at liberty in exercise of the Royal Prerogative at an early date. He said that he was not actuated by any other consideration than that of serving the Government and the country. They had no sympathy with the Non-Co-operators. But the Assembly ought not to be led away by any personal consideration. The best interests of the country ought to be their object, and from that point of view Mr. Schmnad thought that this was the most opportune time for releasing the Ali brothers and others, including Pandit Motilal Nehru, Mr. C. R. Das and Mr. Rajagopalachair, because the recent decision of the All-India Congress Committee, he said, had created a calm atmosphere in the land. He urged government not to miss this golden opportunity of pacifying the people, while His Royal Highness the Prince of Wales had not yet left the Indian shores. They were all on the eve of the settlement of the Khilafat question. It was hoped that His Royal Highness' visit to India would be marked by an act of clemency.

Mr. Zahiruddin took the opportunity of having a fling at Lloyd Georgism which, he said, it was that stood in the way. The best way of dealing with that question was that Lloyd Georgism should go. Gandhism was causing trouble at this end and Lloyd Georgism at the other.

Rao Bahadur Subrahmanyam doubted whether the persons on whose behalf clemency was prayed for recognised the implication of this resolution, that if they were released they would recognise the authority of His Excellency the Viceroy and his Government. He also wanted to know if the Ali brothers desired any intercession of this Assembly on their behalf.

Sir William Vincent detailed the conduct in the past of the Ali Brothers, and asked whether, in view of the important revelations, which he made, the House could consider the release of men who, he said, were traitors to their country and King. The Home Member said that the mover had asked that His Royal Highness should, by a gracious act, release all the Non-Co-operators, of course, for the very warm welcome accorded to him. (Laughter.) Certainly



the recommendation ought to be based on something more solid. But he proposed to confine his remarks only to the release of the Ali Brothers. The question of release could be considered from two aspects, firstly, the illegality and impropriety of the sentence and secondly, the exercise of clemency. As for the former, it would be extremely dangerous if the Legislature interfered with judicial pronouncements. If the convicted party was dissatisfied with the sentence, there were provisions for appeals and memorials. No appeal in these cases had been filed and the Government had received no application and it was improper for the Hon. Mover to have appeared in the House as Counsel unless he had the authority of the Ali Brothers to ask for their release. Without going into the details of the religious laws, he considered it a very dangerous principle that religious laws should be allowed to override the laws of the land. Would Muhammadans agree, he asked, to be forced by law to give up cow-killing as demanded by the Hindu religion? (Cries of No, no.) Very rightly not. He would soon lay in the hands of the members a printed copy of the judgment in the case of the Ali Brothers which was really a remarkable pronouncement and would greatly interest the members. Referring to their prosecution and trial the Member said that on the 2nd August last the Government of India wired to the Government of Bombay directing their attention to the proceedings of the Karachi Conference. The same day they received a telegraphic reply that the Local Government was also considering the question of prosecution. Later, the Law Member and other eminent lawyers decided to proceed under ordinary law. The result of the trial was that all the accused, except one Hindu gentleman, who had no right to call himself Sankaracharya, were sentenced.

Coming to the second aspect, Sir William Vincent said that clemency and lenient treatment could be shown on the consideration of the character of the offence, by reason of changed political conditions which might make it unnecessary to keep them in custody, or by reason of the previous good conduct, or as a result of subsequent penitence. The Home Member then spoke at length to show as to whether any of these conditions has been fulfilled to justify the exercise of clemency in the case of the two brothers. He first examined the character of the offence which was tampering with the loyalty of the troops. He knew of no graver crime than this. They had seen the result of appeals of the kind made by Mr. Muhammad Ali and his brother amongst ignorant Muhammadans. The fire of the Mopla outbreak was still smouldering. Many lives and many Hindus had been saved by these soldiers whom it was proposed to infect with the poison of disloyalty and which action it was now proposed by the mover to condone. Thus there was nothing in the character of the offence to entitle the Ali brothers to the consideration of clemency.

The next question was as to whether there had been any change in the political situation that could justify leniency. The members were well aware of the dangerous speeches of Hazrat Mohani. Some took very pessimistic, while others an optimistic view of the present situation. "But I may say", he continued, "that there is every little in the reports which I receive from those in close touch with the political conditions in the various parts of the country, that gives us much cause for encouragement. It cannot be denied that the times now are very critical. The country is seething with the spirit of lawlessness. This is not the moment when men should be let loose who will be dangerous to the country and who have been particularly guilty of a dangerous offence. I hope in this view we will have the support of this House." (Hear, hear.)

The Home Member next examined the question whether their previous conduct entitled to mercy and revealed certain activities of the Ali Brothers, which, he thought, were not known to the public and which would conclusively prove the justice of the action taken by the Government. Here Sir



William lapsed into his Rowlatt Bill temper and used a language and a method of attacking his foe from behind which was so characteristic of him during the time of the Punjab horrors of 1919. He maintained that since 1911 the two Brothers had been consistently hostile to the British Government and had been promoting Pan-Islamism, as opposed to Nationalist India. They had been opposed to Great Britain and been trying to help Turkey. They started a Society called the Anjuman Khadami-Kalia avowedly for religious purposes, but really for purely political activities. In the words of the findings of Justices Lindsay and Rauf this Society aimed at strengthening Turkey by leading a Pan-Islamic movement, by appealing to the religious sentiments of the ignorant masses of Muhammadans. When the War broke out, he admitted, this Society wired to the authorities in Turkey to remain neutral; and later on the Ali Brothers, Dr. Ansari and Hakim Ajmal Khan, in a signed document, took up the very right attitude of declaring in favor of peace and order in the country. But after Turkey entered the War, there was an immediate change in the attitude of the Ali Brothers. They carried ceaseless anti-British campaign and did everything to support the King's enemies and depreciate Government efforts. The Government, at this time, got clear evidence that Mr. Muhammad Ali and his brother were in close touch with Obeidullah, the Provisional Government, which had always been provisional. (Laughter) The Ali Brothers went up to Rawalpindi and had a Conference with this head of India's provisional government and three other Muhammadans who were notorious anti-British personalities. Consequently in 1915 the Ali Brothers were interned in Delhi at the instance of Mr. Hailey (now Sir Malcolm) who was then the Chief Commissioner of Delhi. When the War broke out, these two gentlemen used their whole influence against the British Government and Indian Government. In a letter to a friend and also in a letter to an Indian Ruler they wrote that Indian Muhammadans were justified in helping His Majesty the Amir of Afghanistan in the Jihad and that the Amir should not sheath his sword unless the Indian Muslim demands were met at once and in full. Government had full evidence that throughout the War with Afghanistan these two gentlemen did their best to assist King's enemies on previous occasions. Perpetual attempts were made to get at the Amir of Afghanistan to ask him to assist them in the Jihad. Government were more or less successful in preventing such attempts. There was a question of an embassy to Kabul in order to assist the Mubajarin, but Government discovered that this mission had a political meaning. This was confirmed by the detection of a letter written by one student Mubajarin to Shaukat Ali. This letter was deciphered by the Government with great difficulty and in it Shaukat Ali was told that the writer had met a certain Pasha who had reminded him of the promises by them. As a result of Royal clemency, the Ali Brothers were released in December, 1919. In 1920 there was a Khilafat Conference at which Shaukat Ali declared that he would not like Afghanistan to make peace with Great Britain.

The Home Member quoted several extracts from the speeches of these brothers, which openly incited ignorant audience to violence. As a result of these violent and pan-Islamic activities of the two gentlemen, the Government deliberately intended to prosecute them. Then came the meeting between the Viceroy and Mr. Gandhi and soon after the Ali brothers apologised to the public in carefully chosen words, but hardly had the ink of this statement dried than Muhammad Ali indulged at Breach in a very violent speech and began to reduce soldiers of the Crown to break their allegiance. As a result of those dangerous activities he and his brother were now in gaol. "Indeed," he concluded, "when I think of the treasonable practice of these two men during the great War when the fate of the Empire was at stake,



when I think of the secret support and encouragement which they gave to the King's enemies, when hundreds and thousands of British and Indian soldiers were daily risking their lives and making great sacrifices, when I think of those poor Muhajirins, whose white bones are lying about the Khyber and on the way to Kabul, who were misled by these two gentlemen and their followers, who themselves never did a hijrat further than Paris and London, and when I think of the money extorted from poor Muhammadans of this country and squandered away in Europe and elsewhere, of which no recorded account has ever been kept, and no account is published up to this time, when I think lastly of the Hindus, the unfortunate Hindus, dishonored and killed in Malabar and the thousands of Moplas, innocent men in a way, but misled, driven to death and ruin at the instigation of Muhammad Ali, Shaukat Ali and those who think with them, then, Sir, I marvel at the simplicity and the gross ignorance and folly of the Muslim population that submits to such treatment and recognises such men as leaders, and I marvel the more at the temerity of the Hon. Member who proposes to an Assembly such as the present, an assembly of intelligent men who really understand things, a suggestion that men of this class, traitors to their countrymen and traitors to their King, should be treated any consideration."

The effect of this marvellous outburst was instantly seen. Sir William had cowed them down into submission. Mr. Kabiruddin Ahmed alone then rose and accused the British Government of going back upon their pledges in connection with the Khilafat, and referred to the speech of the Amir of Afghanistan published in the papers. He then began to quote from the *Quoran* and referred to the charges against the Ali Brothers and after a long heckling speech, urged Govt. to set the Ali Brothers free.

After a moderate, halting and apologising speech from Mr. Yamin Khan, the resolution was put to vote; there were loud cries of "withdraw." Mr. Schmanad, however, did not withdraw the resolution, but Mr. Kabiruddin was found to be the only member to say "aye". The division bell then rang, and when the motion was put for the second time no one said "aye". The President then declared that the resolution was unanimously defeated.

#### Enquiry into the Mopla Outbreak.

Raja Ikramulla Khan moved for a Committee with a non-official majority to enquire into the causes of the Mopla outbreak and submit its report before the next session of the Assembly. This resolution with an amendment moved by Mr. Sambanda Mudaliar was lost.

#### Railway Risk Notes

Rao Bahadur C. S. Subramanyam, with the permission of Mr. Manmohandas Ramji, who was absent, moved a resolution for a Committee of officials and non-officials with a majority of Indian non-officials to consider the revision of railway risk notes. Mr. Subramanyam referred to the representations made by various commercial bodies and other organisations concerned on the hardship



and the injustice felt by them on account of the bad rules contained in the risk notes, and said that under those rules the railway companies often evaded claims for compensation put forward by the aggrieved parties. It was necessary that the rules which, in the opinion of Mr. Seshagiri Iyer, when he was a Judge, were not carefully drafted, must be so revised that the railway company must be made responsible for the loss in transit and must bear a reasonable portion of the loss as compensation.

Mr. Seshagiri Iyer considered it a violation of law that the onus of proving the loss was thrown on the consigner.

A few more non-officials followed in the same strain, and then Col. Waghorn, President of Railway Board, pointed out that any amendment in the risk notes must be considered in the light of Sections 72 and 76 of the Railway Act, because railways were not prepared to accept any great responsibility for the loss unless they could enhance their own risk rates as a set-off against liabilities. The Rates Tribunal recommended by the Railway Committee would be appointed, and it would go into this difficult and complicated matter of the revision of risk notes. Col. Waghorn advised him to withdraw the resolution.

Mr. Subramaniam maintained that a Committee with a majority of non-officials must be appointed.

The resolution was put and carried by a large majority.

#### *Opening of Ports for Hedjaz Pilgrims*

Haji Wajiuddin moved his resolution recommending reopening of the ports of Calcutta and Chittagong for Hedjaz pilgrimage traffic. This was carried with an amendment of omitting Chittagong for the present.

### *DELHI—11TH MARCH 1922*

#### *Finance Committee*

On 11th March Sir Malcolm Hailey, the Finance Member, asked the Assembly to agree to the election of a Standing Finance Committee of the Assembly of fourteen members to which shall be added one Govt. member who will be chairman of the Committee. He proposed to raise the number of members of the committee to fourteen because the last year's experience was that it was difficult to secure sufficient attendance of members.

He pointed out certain constitutional limitations to the powers of the Committee. The main object of the Finance Committee was that only votable items of expenditure be placed before it for sanction and that the members should advise the House in voting for the expenditure which had passed through. He emphasised that it would



be impossible for them to place before it items for expenditure for which the Government of India alone was responsible, such as those referring to foreign relations, frontier etc. In the case of emergency expenditure also it would be impossible to wait till the items were sanctioned by the committee. Thus it would appear that the operation of that body could not be extended very widely. But, as he was anxious to meet the House as far as possible, he would be prepared to define the terms of the committee, so that all new votable items of expenditure should be submitted to it, except such as must be urgently sanctioned and that such non-votable items of expenditure should be submitted to it as the Government desired.

An amendment proposing to define the functions of the committee was sent in by Mr. Rangachariar, but due to his absence Mr. Shahani moved it. Mr. Shahani, however, pointed out that he would be quite willing to amend his proposal, if the Finance Member moved the amendment incorporating his (Finance Member's) suggestions. The Finance Member accordingly amended Mr. Shahani's motion which, as amended, read :—The functions of the Committee will be (a) to scrutinize all proposals for new votable expenditure in all departments of the Government of India, (b) to sanction allotments out of lump sum grants, (c) to suggest retrenchments and economy in expenditure, and (d) generally to help the Finance department of the Government of India by advice in such cases as may be referred to it by that department.

The House agreed to the election of 14 members for the Finance Committee and also adopted the definition of the Committee as amended by the Finance Member.

#### Supplementary Grants

Sir Malcolm Hailey next asked for the voting of the supplementary grant of Rs. 16,140,800 to cover the total excess in expenditure charged to revenue, Rs. 37,177,000 to cover excess in expenditure charged to capital and Rs. 73,675,000 to meet excess in interest free advance of loans and advances. Sir Malcolm Hailey said that the formal sanction of the Assembly to cover excess in expenditure was necessary. The main reason of excess under expenditure charged to revenue were (1) excess in the sanctioned scale for which the budget provisions proved to be insufficient, (2) expenditure due to causes which could not be foreseen such as increased cost of working railways or necessity for advance, purchases of opium due to shortage of stocks, (3) expenditure for special purposes in which cases the proposals had been laid before the Finance Committee, and (4) formal transfers of expenditure from one head to another.

Dr. Gour moved for a reduction of one thousand rupees from



the supplementary demand of ten crores under Railways. He pointed out that, while they did not desire to stand in the way of voting on supplementary demands, he wanted to emphasise that railways were not worked on sound economic basis as such commercial concerns should be run. He found that in the same grade and for doing the same work Anglo-Indians and Europeans were paid four or five times more than Indians doing similar work. Surely in these cases there was ample scope for retrenchment by recruitment of Indian labour which was considerably cheap and by the removal of racial distinction. He believed the E. I. R. strike was costing Government between twenty to thirty lakhs per week. Surely the strike could be ended immediately by acceding to the very reasonable and modest demands of strikers. He asked the Commerce Member to assure the House that racial differences in pay would be removed.

Mr. Joshi emphasised the necessity of a Commercial department like the Railway being run on sound business lines, and said, as they did not want to lose revenue, Government should at once take steps to settle the strike very easily, and save the further loss that might otherwise be incurred.

Mr. Kamat asked how the working expenses had gone up so much during the course of 12 months as to cost the Exchequer to the extent of three crores, and why those who estimated the budget last year did not foresee the probable rise in prices.

Mr. Nandlal and Mr. Hussainally endorsed the arguments of the previous speakers, the former observing that the Railway instead of running on economic and cheap lines was following the question of caste and creed.

Mr. Innes, the Commerce Member, explained that the increase in working expenses was due to several causes. Firstly on account of strikes in coal fields, the cost of coal increased enormously, and, as there was at one time an indication that there would be general strike on railways, the companies had to make urgent arrangements for the supply of five or six million tons of foreign coal at high rates. The other reason was that railways were sick and hundreds and thousands of wagons and locomotives were in a bad condition. They had to be sent to workshops for repair and the cost of workshop labour increased. Some Railways especially, the G. I. P. had to pay large sums of money claimed as compensation. It was true that there should be no discrimination between an Indian and an European or an Anglo-Indian in the matter of pay for the same kind of work. But it must be remembered that it was only in recent years that a few qualified Indians were available for the class of work done on the Railways, and even now, for mechanical work and skilled labour,



they had to depend mainly on the Anglo-Indians and Europeans in Bombay. The Mail train drivers were Parsis, and Mr. Innes said there was absolutely no difference between the Parsis and the Anglo-Indians or Europeans. The only remedy for removing the feeling in the matter was by providing proper technical training and bringing the Indians up to the standards required for the higher posts in the Railway service. Mr. Innes had already stated in the Council of State that he would personally go into this question of training Indians in consultation with the Central Advisory Council and set apart for this purpose a portion of the one hundred and fifty crores recommended by the Railway Finance Committee, but there must be some time to do that, and he would do all that was required in the desired direction. He would also make an inquiry in order to see whether the men, who did the same kind of work, and were equally qualified, got the same scales of pay. In view of this assurance Dr. Gour then withdrew his motion.

#### Contribution to the League of Nations Secretariat.

Mr. Seshagiri Iyer then moved that the sum of Rs. five and half lakhs mentioned as contribution towards the expenses of the Secretary of the League of Nations be reduced by two lakhs. He said his object was to draw the attention of the Government to the fact that India had been badly treated on the Secretariat Establishment of the League of Nations in that there was only one Indian representative among the 351 members in spite of the fact that India contributed so much as five and half lakhs. Mr. Iyer quoted at length the strong opinion of the Rt. Hon. Sastri on this subject and said that the Government should see that the grievances of India was met in this matter.

Sir Malcolm Hailey in explaining the exchange position in respect of this amount said that it would be better to wait for the return of Mr. Sastri and know the whole situation before tackling the question. The League of Nations must be given an opportunity of reconsidering their decisions before this Assembly took any action. Any definite refusal to pay the money would be equivalent to saying that India dissociated herself from the League of Nations.

Dr. Sapru followed the line of argument taken by Sir Malcolm and assured the Assembly that no one was more keen than himself that there should be stronger representation of India in the Secretariat of the League of Nations, and said that the Government would take steps in that behalf after consulting Mr. Sastri, who would be shortly returning to India.

Mr. Seshagiri Iyer then withdrew his motion for reduction.



## Expenditure in England

Mr. Neogy, in moving that the demand for Rs. 6,097,000 under the head "Expenditure in England" be reduced by one thousand rupees, called the attention of the House to the fact that the cold weather visit of the Secretary of the India Office had cost India seventeen thousand rupees and urged that such cold weather visits should be avoided.

Mr. Chatterjee, the Industries Secretary, regretted that this matter could not be placed before the Standing Finance Committee by force of circumstances. The invitation to Sir L. Kershaw had been extended by the Government of India before the supplementary budgets were taken in September last, and they did not know until the end of August that the expenditure would be chargeable to Indian revenues in this matter. Sir L. Kershaw was to have arrived here about the end of November and it was found practically impossible to have obtained the previous approval of the Standing Finance Committee. Mr. Chatterjee said that it was desirable that officers of the India Office should have knowledge of Indian conditions. It was considered necessary that the Secretary should get himself acquainted with the conditions of changing India. Sir L. Kershaw had been in the Indian Civil Service for some time, but his knowledge of Indian conditions was certainly not up to date. His visit to India has enabled him to understand the situation in India fully. He went to all the provinces, watched the debates in the Legislative Assembly, in the Council of State, and the Legislative Councils in the Provinces, had consultations with officials and non-officials for current problems with which he deals in the India Office.

Mr. Samarth asked whether Mr. Kershaw in the course of his enquiry ascertained the trend of the Indian people's view as regards the continuance of the India Office. If he had, said Mr. Samarth, he would have found that there was a large section of thoughtful Indians who desired that the India Office should no longer be continued.

Sir Frank Carter :—I want to know whether any report has been published as to what Sir Kershaw has done in this country. I think the practice of these fellows, (laughter) I mean those back numbers coming out from Home to see India, ought not to be continued. There should be a change in the Secretaryship of the India Office every year.

Dr. Gour also voiced the feeling against the continuance of India Office. Mr. Neogy then withdrew his motion.

After all motions for reduction had been withdrawn, the supplementary grants were sanctioned,



DELHI—14TH MARCH 1922

**Mr. Montagu's Resignation**

On March 14th the Legislative Assembly met again to take up the consideration of the second stage of the Budget. The Democratic Party block was fairly full and the 20 members of the newly formed National Party under the leadership of Sir P. Sivaswami Iyer were sitting in their old respective seats. Great interest centred round the proposal of Mr. Samarth who had given notice to move an adjournment of the House to consider the situation created by the resignation of Mr. Montagu, Secretary of State for India. After question time, Mr. Samarth moved an adjournment of the House to consider a definite matter of urgent public importance. He said : There are four points on which, I submit, the motion I have made is a definite matter of urgent public importance. Firstly, I think, Sir, that it is urgent and important that this House should have an opportunity of expressing its deep sense of regret at the resignation of Mr. Montagu of his Office of the Secretary of State for India, in which capacity he rendered invaluable services to India and the Empire, for which this House begs to convey its profound gratitude to him and its unabated confidence in the policy pursued by him as the only policy which wise statesmanship would dictate in the best interests of the Empire ; secondly, to convey to His Majesty's Government an expression of this House that if the resignation of Mr. Montagu and the circumstances which have brought it about means a suspension or abandonment or reversal of the policy for which Mr. Montagu stood and fought for India it would produce deplorable and disastrous consequences in India. Thirdly, Sir.....

PRESIDENT :—Order. The Hon. Member is entering into the merits of the question. He has not explained how he is bringing in his motion as an urgent matter as stated in the Standing Orders governing the motion for adjournment.

Mr. Samarth :—There are two more points on which I say this motion is urgent. The third point is to express.....

President :—The Hon. Member is using the word urgency in its ordinary sense. The word urgency in the Rule has a definite meaning. It means that the question must of necessity be debated here to-day, because of some action which the Government may take or may not take. The Hon. Member has not stated what effect a delay in bringing this motion would have on the situation.

Mr. Samarth :—I submit that the consideration of the Treaty of Sevres is going to take place on the 24th. I consider it is urgent that the view of this House should be communicated in regard to certain constitutional matters connected therewith. That is why I



have brought this as a matter of urgent public importance. Otherwise there would be no....

President:—If the Hon. Member bases his motion on the Treaty of Sevres, then certainly he is out of order, because there is the question of foreign policy.

Mr. Samarth:—I do not mean to do anything with regard to foreign policy. I wish to emphasise the point of view that India, as an original member of the League of Nations and as such a signatory to the peace and a party to the Treaty of Sevres, has a right unhampered and uncontrolled by the British Cabinet to publish its views. It is an urgent matter also, because an infringement of the right I have mentioned has taken place, and it is imperative that the matter should be referred by the command of His Majesty to the Judicial Committee of the Privy Council.

President:—Surely there are other ways and more effective ways for it than a motion for adjournment.

Sir Jamsetji Jeejibhoy:—Will it not meet the wishes of the Hon. mover and the House if this question were dealt with in a resolution? I would request the Government to appoint as early a date as possible for the purpose.

Sir William Vincent:—If a resolution is brought forward in a proper form, if it be admitted by the President and not disallowed by the Viceroy, then I will do my best to secure the earliest possible date for discussion, but I understand this week would be occupied with voting on demands, and it is, therefore, impossible to say what date exactly I would be able to get.

Mr. Samarth:—In the circumstances I don't press for an adjournment.

#### Voting on Grants—Customs

The Assembly then proceeded to voting on demands for grants. The first demand was for Rs. 6,40,02,000 under Customs, and the debate that followed gave a clue to the attitude that the Democratic and National Parties would generally adopt in the matter of grants. After a long and heated debate, the Democrats and Nationals and some other independent non-officials joined and defeated the Government by 63 votes to 34 by carrying a reduction of five per cent, that is, of Rs. 3,52,100 in the demand for Customs. The debate revealed that the majority of non-officials were determined to effect, at least, a five per cent reduction under all heads, leaving the Government members in charge of departments to adjust the reduction in the best possible way.

Sir Vitthalidas Thackersey took the lead and moved for the reduction of Rs. 3,52,900 under Customs. He said that his motion represented a five per cent reduction of the total expenditure both



votable and non-votable under Customs. The non-officials and particularly the Democrats desired that under all heads, five per cent reductions should be carried, thereby giving a clue to the proposed Retrenchment Committee as to the attitude of the House in this matter. He anticipated that by this means they would secure a reduction of about one and a half crore.

Mr. Jamnadas Dwarkadas supported the motion, and observed that it was far better to leave it to the heads of the Departments to adjust the retrenchment themselves rather than Members should place their figures on items where cuts were possible.

The motion of Sir Vithaldas Thackersey was finally put and carried amidst applause by 63 votes to 34. The majority were made up of Democrats and Nationals.

Dr. Gour next moved that all demands be reduced by ten per cent which was ruled by the President out of order.

The next head for consideration was taxes on income under which item the Government demanded Rs. 4,480,000. Dr. Gour advocated wholesale reduction of 5 per cent not only under this head, but under all heads numbering more than 60.

The President ruled that motions for reduction should be brought under each head.

Dr. Gour, thereupon, confined his demand for reduction by 5 per cent to the head under taxes on income.

Sir Malcolm Hailey, after pointing out that every item under this head had been accepted by the Standing Finance Committee, advised the House to adopt the business-like course of leaving the matter of reduction to the Retrenchment Committee. No doubt a reduction of expenditure was, he said, possible, but if there was reduction, the result would be that there would be no improvement in the income tax administration which the whole House and the country demanded!

Several members spoke on the motion, the majority being against Government.

Sir Sivaswami Iyer, the leader of the National Party, in a short speech, said that while sympathising with the principle of demand for a reduction of 5 per cent, he thought that the Income-Tax Department was not the suitable subject for attack. In order to complete the scheme for the separation of the central from the provincial finance, it was absolutely necessary, he said, that they should accept the demand.

Mr. Bhai Man Singh spoke last in favour of the 5 per cent. reduction moved by Dr. Gour, and when the motion was pressed for a division, it was carried amidst loud applause of the Democratic



Party, 49 voting for and 47 against it, the latter number including the votes of the National Party.

*DELHI—15TH MARCH 1922*

The Assembly met on 15th March to continue voting on further demands for grants. Before the President took his chair the mouth-pieces of the Democratic and National parties exchanged views on the attitude to be adopted on motions for grants. There was a general agreement between them that the axe of economy should be applied under the majority of heads so as to secure above one crore of retrenchment by these cuts.

**Demand under Salt**

There were several motions for big reductions under this head. Mr. Shahani moved for a cut by twenty lakhs.

Mr. Innes and Mr. Chatterjee pointed out that reduction could not be made in expenditure on the items like excavation, etc., without seriously affecting the revenue under "salt." The reduction would, therefore, have to be effected only from the pay of the employees which amounted to fifty lakhs. They asked how could large reductions like twenty lakhs be possible in the expenditure of fifty lakhs.

Mr. Shahani's amendment was then put and negatived.

In view of the Government's explanation, the Democrats and Nationals gave up the idea of five per cent reduction under this head and withdrew their motions to this effect in favour of Sir Vithaldas Thackersay who asked for a reduction of Rs. 171,450 which was below one per cent of the demand.

The reduction was put to vote and carried without a division. The reduced demand Rs. 1,32,89,550 under "salt" was then put and agreed to.

**Opium**

The next item was "opium", the demand for which stood at over one crore and eighty-six lakhs. Sardar Gulab Singh moved for a cut of fifty lakhs under this charge.

Sir Malcolm Hailey informed the House that out of the total expenses under "opium" about thirteen lakhs were spent on pay of services and the rest were incurred on the process of buying and selling opium.

Sardar Gulab Singh's resolution was negatived.

Mr. Rangachariar withdrew his motion for the usual five per cent reduction of over nine lakhs in favour of a more modest resolution of Mr. Jamnadas Dwarkadas who recommended retrenchment to the extent of two lakhs. Sir Malcolm Hailey opposed this motion. Dr. Gour sympathised with the Finance Member's difficulty but



reminded him that he (Finance Member) had not so far responded to the demand of the non-officials for a reduction of five per cent in total expenditure. If the Finance Member could promise five per cent cut in the total the House would be relieved of the trouble of carrying out reductions under each head as it came and the Government would be free to distribute that reduction under all heads as it liked.

When the motion of Mr. Dwarkadas was put to vote the Democrats and Nationals voted with the mover and by 64 votes to 32 carried out the reduction.

#### Land Revenue.

The demand for Rs. 1,56,000 under land Revenue was also cut down by Rs. 7,800 (five per cent) on the motion of Mr. Rangachariar without a division.

#### Stamps.

The demand amounted to Rs. 12,45,000 under Stamps (including the expenditure in England.)

Mr. Rangachariar on behalf of his party insisted on reduction by Rs. 1,17,400. He asked what was the Industries Department doing all these years if it could not even make India self-dependent in the matter of the manufacture of stamps? It was this attitude of the Government in the past which had made the non-officials to adopt a firm attitude at that juncture.

Dr. Gour and Mr. Samarth informed the Commerce Member that stamps of Indian origin were already being used by the Indian States. Dr. Gour contended that placing of contract in England for ten years was improper. Mr. Innes promised enquiry on points raised.

The motion of the Democratic party when pressed to a vote was carried by 50 against 41. The minority included the Government and the National party votes.

#### Forest.

The next demand was for Rs. 7,41,000 under Forest. Several motions for minor reductions were moved in order to elicit certain information and were afterwards withdrawn. This was the first among the seven demands so far voted that was passed without any reduction.

#### Railways.

The next demand was of about 74 crores under Railways.

Mr. Kamat moved for reduction of seventy-three lakhs in charges proposed under general superintendence. He complained of extravagance under superintendence and believed it required very close investigation. The question of Indianisation of the administration was raised again and keenly debated.



Mr. Joshi observed that technical posts in Railways were of a very limited number compared with the huge number of non-technical posts held by Europeans and Anglo-Indians.

Mr. Innes said that the Government had issued to all Railway administrations a circular letter informing them that the Government was in favour of Indianisation and that those management should try to fall in line with this policy. He quoted from the Acworth Committee Report to show that that body had opined that the present emoluments in the higher posts of Indian Railways were entirely inadequate as compared with other countries and would not attract really capable men.

Mr. Seshagiri Aiyar wanted an explanation as to why material available in the country was not employed and as to why Europeans and Indians doing the same work were paid differently.

Colonel Waghorn quoted figures purporting to show how far Indianisation had already been proceeded with.

Dr. Gour bitterly attacked the Government members for not answering or evading straight questions put to them by Mr. Joshi and Mr. Kamat. The House, he said, was determined to put an end to Railway bureaucracy and that they would begin Indianisation from the top. They wanted deeds, and not words and platitudes and vague promises. If the Government wanted the grant, it must faithfully carry out the policy of Indianisation and must see that the Central Railway Advisory Council sat along with the Railway Board in an advisory capacity only and not to control the policy of the Railways.

Mr. Kamat eventually withdrew his amendment, and Sir Vitaldas Thackersey moved his resolution for a cut of 25 lakhs.

This was put and unanimously accepted. The demand under Railways reduced by Rs. 25 lakhs was then granted.

#### Posts and Telegraphs

The next demand was for Rs. 9,46,63,000 for Posts and Telegraphs Department.

Dr. Gour moved a reduction by ten lakhs. He complained about the Telegraph Department at present being the monopoly of Europeans and Anglo-Indians. Several speakers, who followed, explained that Indianisation meant equal opportunities by competition to all those who were Indians or were domiciled in India without any racial or communal preference. Mr. Rangachariar complained that the policy of employing Anglo-Indians was due to the mistrust of Indians. He pointed out that the educational standard for recruitment in the senior posts in the Telegraph Department was B.A. in the case of Indians, and only matriculation



in the case of Anglo-Indians and Europeans. Mr. Clarke admitted this discrepancy.

The motion for reduction was pressed to vote and was carried by 46 against 37. The demand as reduced under Posts and Telegraphs was then granted.

#### Irrigation and Navigation

The demand for Rs. 1,432,000 under Irrigation and Navigation, Rs. 16,40,000 under Indo-European Telegraph Department and Rs. 3,23,63,000 under Interest on Miscellaneous Obligations were also granted as originally demanded without much discussion.

Mr. Rangachariar said that the Democrats had left the irrigation item untouched because of its being a national asset.

### The Council of State

DELHI—15TH MARCH 1922

#### Mr. Montagu's Resignation

After question time, the President announced that he had received from Mr. Raza Ali notice of a motion for leave to move an adjournment of the House in order to discuss the policy enunciated by the Government of India in their telegram of the 28th February last to the Secretary of State, and the consequence of its publication. This motion, the President said, was not in order.

At the request of Sir Manekji Dadabhoy, the Council allowed him permission to move his resolution first in view of its importance. He moved recommending to the Governor-General in Council to communicate to the Secretary of State for India the sense of deep regret felt by this Council at the resignation of the Right Hon. Edwin Samuel Montagu, and its warm appreciation of his signal services to India generally, and more especially, in connection with the Reforms to which this Council owes its existence. The mover said that this Council, as the premier Council in India, owed to itself the duty of expressing the profound sense of sorrow felt throughout the length and breadth of this country by the retirement of one of India's most sincere and genuine friends, which news came like a bolt from the blue. In the long roll of the illustrious Secretaries of State for India, no one had served this country more faithfully and with greater interest than Mr. Montagu. Sir Manekji Dadabhoy referred in grateful terms to the services of Mr. Montagu in the announcement of the 20th August, 1917, which brought about the Reform Act of 1920 as the first instalment of political liberty and a contribution to self-government for India. The action of the Government of India in despatching the telegram, which culminated in the unfortunate retirement of



the Secretary of State, was one that was wholly justified, legitimate, and proper. If the Government of India had not sent that telegram expressing the feeling in India on the Treaty of Severs, then they would have been guilty of gross violation of duty, because it was quite necessary in view of the forthcoming Conference at Paris, as well as in the interests of peace in this country. The people of India now knew that their Government had done everything in its power to protect Muslim interests.

Then followed a series of speeches by about ten non-official members, including Messrs Khaparde, Sirdar Jogendra Singh, Lala Sukhbir Singha, and Lala Ramsarandas, who all spoke eulogistically of Mr. Montagu's services, and deplored his resignation.

Mr. Banker, I.C.S., of Bombay did not think that any useful purpose would be served by the motion of Sir Maneckji Dadabhoy, but he would not vote against the resolution, because, as worded, it might be regarded as a harmless formality.

The Hon. Sir Mian Muhammad Shafi applied for the closure of the debate, and the resolution, together with an amendment of Mr. Raza Ali relating to Mr. Montagu's services in connection with the Khilafat question, and that of Mr. Sethna that it be telegraphed to Mr. Montagu, was put to vote and carried.

#### Indian Shipping Companies

Mr. Samaldas moved a resolution urging the Government to issue instructions to the departments concerned to give Indian shipping companies an opportunity of quoting for the carriage of Government and railway materials from any ports to India and to give them preference if their quotation is approximate to that of other companies. In proposing the resolution, Mr. Samaldas drew attention to the great importance of a National mercantile marine. In view of the large number of witnesses who had championed the cause of an Indian merchant marine before the Fiscal Commission, the subject had a topical interest, and in his opinion the national marine not only kept the freight money within the country but it also afforded employment to thousands of its citizens. New careers were opened to the youth of the country and fresh additions were made to the wealth of the nation. To achieve such a desirable end almost all important countries of the world had reserved their coastal trade to their own nationals, with the apparent exception of England. The granting of construction and navigation bounties were effectively used by Japan and America in the creation and development of their mercantile marines. He did not want as much as other free countries. For the present, he merely insisted upon the stores



destined for the use of India being carried in vessels belonging to the country.

At the suggestion of the Commerce Secretary the resolution was put into two parts. The portion recommending that instructions be issued to the departments concerned to give Indian Shipping Companies an opportunity of quoting for the carriage of Government and railway materials from any ports to India was carried unanimously. The other portion that the Indian companies be given preference if their quotation is approximate to that of other companies was carried by a large majority.

#### Improvement of Minor Ports.

Khan Bahadur Ahmad Thambi Maricair moved a resolution recommending to the Governor-General-in-Council to take steps to contribute out of the customs revenue a portion of the expenditure incurred by the Local Governments for the improvement of minor ports. He said that this question affected the Madras Presidency most as it had the largest number of minor ports, where most of the shipping of cargo was done. The result of the enquiries instituted by the Madras Government was the formulation of proposals for the improvement of harbours involving an expenditure of five lakhs. As the Madras Government was financially weak at the present moment, it was essential in the interest of sea-borne trade that the Government of India should come to their rescue.

The resolution was lost, only Mr. Maricair voting for it.

#### Indians in Colonies

Mr. Khaparde moved that when rights and disabilities are conferred or imposed on Indians by the Laws of any Colony, legislation be undertaken to confer or impose the same rights and disabilities on the subjects of that Colony in British India. He said that the principle of reciprocity was accepted in 1917, and confirmed at the Imperial Conference in 1919. From 1919 to the present day the history of that question was obscure. Reciprocity was a very simple rule adopted not only by the Imperial Conference, but also by the League of Nations. There was no spirit of retaliation in his proposal which was only intended to secure recognition on the part of other Colonies about the existence of India and the necessity of Indians having the same rights. The effect of accepting the resolution, Mr. Khaparde hoped, would be to induce the Colonial Government to relax the restrictions on the Indians residing in their Colonies and to secure the solidarity of the Empire.

Mr. Barua spoke bitterly against the treatment accorded to Indians in the Colonies, and said the resolution was a sure indication of the gravity of the situation, but there was, he said, no use of



advertising their intensions in advance as it would harm the cause. It would be better to take proper reciprocal steps at the right time, but that time was not yet.

Sir Umar Hayat Khan and Mr. Raza Ali endorsed the observations of Mr. Barua.

Mr. B. N. Sarma, while fully sympathising with the object of the mover, pointed out the danger of any action taken in anger or sorrow or despair. The principle of reciprocity was admitted, and there was no going back upon it by the Government of India. All Self-Governing Dominions, with the exception of South Africa, had acknowledged the principle that in so far as Indians are lawfully settled within those Dominions they should be permitted to have exactly the same rights as His Majesty's other subjects there. The Government proposed that if finances permitted and if the Assembly agreed to send the Right Hon. V. Srinivasa Sastri to these Dominions which had invited him, to press them to adopt the principles over which they were in agreement, there was every hope that a satisfactory settlement would be arrived at in this matter and this was, therefore, not the time for a resolution of this description. Even as regards South Africa, which had not accepted the reciprocity principle, the Government of India had addressed a despatch and they believed that no legislation affecting the position of Indians would be undertaken there. In fact, last year it was found that the South African Government had vetoed motions restricting the rights of Indians there. It might be necessary later on for the Government of India to accept some means whereby to preserve the self-respect of Indians, but they would be doing incalculable harm by their threatening reprisals of this character when negotiations were going on in the desired direction. There was every reason to hope that the South African Government would, on mature consideration, accept the position of the Government of India.

After the speech of Mr. Sarma, Mr. Lalubhai Samaldas and Lala Ramsaran Das pressed the mover to withdraw his resolution and Mr. Khaparde thereupon withdrew it.

#### *DELHI—16TH MARCH 1922*

On Mar 16th. the Council held a short sittings of about an hour and a half during which the Indian Merchant Shipping Consolidation Bill was passed on the motion of Sir Alexander Muddiman. The Ranchi Mental Hospital Bill was introduced, and an important non-official motion for the appointment of a Committee on the encouragement of shipbuilding industry was carried.

#### *Encouraging Ship-building*

Mr. Lalubhai Samaldas moved for a Committee of officials and



non-officials to consider the best means of encouraging ship-building industry in the country and to make recommendations. He said that endowed by nature as India was with a coast line of 4,500 miles, it was their bounden duty to inaugurate a policy which would secure for the country an important place among the ship building countries of the world. It was not so much creating a new industry as reviving the one which was on the verge of extinction for want of help. The victories of the British Navy during the Napoleonic Wars were shared by the Man-of-Wars built by Luoji Wadia of Bombay. All the countries that had encouraged their shipping industry did so by providing construction bounties, granting refunds from import duties, assisting with cheap loans and giving preferential rates on Railways. The eyes of the people of India were now turned on this important industry and Government should, therefore, appoint a Committee as suggested by him.

After a short discussion the resolution was put and carried.

## The Legislative Assembly

*DELHI—16TH MARCH 1922*

On March 16th the discussion on Budget grants continued. The first demand was for Rs. 76·7 lakhs for General Administration. This head concerns the several departments of the Government of India, and there were about 80 amendments for reduction in it.

Before the House proceeded to the ordinary business, Sir Jamsetjee Jeejeebhoy moved a resolution of farewell message to His Royal Highness the Prince of Wales.

Mr. Ginwalla, moved for a reduction of Rs. 100 in the salary of the second personal stenographer to H. E. the Governor-General. Mr. Ginwalla said that the motion was one of the series of similar motions that he proposed to move under all departments of the Government of India with a view to undertake a general review of the administration and to show how in practice the Government of India Act had been worked differently from what was intended by the Imperial Parliament. The Prime Minister (then Mr. Lloyd George) had declared, he said, in the House of Commons the other day that if Reforms in India were a failure, it would not be attributable either to the British Parliament or to the Government of India. In view of this pronouncement, he thought that it was necessary that the House should declare that, if the Reforms were a failure and there were indications to some extent that they were becoming a failure, then the failure would be attributable not to the legislature of the people of India, but to the British Parliament and to the Government of India, due to the



manner in which they had interpreted the Reforms Act. He quoted the instance of the issue of the recent Malabar Ordinances by the Governor General, encroaching upon the legislative privileges of the House. 'It is because the Governor-General exercises more power than the Government of India Act allows him that he requires two stenographers', he said amidst laughter.

The Home Member said that little did he expect that a motion for reduction of the salary of a stenographer would be utilised for the kind of attack which Mr. Ginwalla was making. Personally, he would like if the attack was made in a somewhat more open and frank manner.

Mr. Ginwalla eventually withdrew his motion and moved the next reduction of Rs. 100 intended for travelling and contingencies of the Executive Council. His object, he said, was the same as before. He felt that the Executive Members did not deserve travelling allowance, because of the way in which they were administering the affairs of the country. (Laughter.)

The President said that he would rule him out of order, if Mr. Ginwalla indulged in a general criticism of this kind. As the salaries of the Government Members were not subject to vote, they could not review their conduct in such motions, but could do so by resolution. Moreover, the demand for travelling was one which had yet to be incurred.

Dr. Gour pointed out that, while in the House of Commons a Minister could be criticised on a motion for prospective salary, here they wanted generally to review the Government's action on a motion for prospective travelling allowance, because salaries were non-votable. Moreover, the President had on a previous occasion stated that nominal reductions could be moved for criticising particular departments.

Mr. Seshagiri Iyer said that the House wanted to show that if the members had been travelling in a better way they would be in a better position to govern the country. (Laughter.)

Mr. Ginwalla said that he wanted to show that if the Home Member had travelled in time, the Ordinance, which was issued by the Governor-General in his legislative capacity by the exercise of his extraordinary power, while the Assembly was sitting, could have been avoided.

President: I am afraid the Hon'ble Member must be finally ruled out of order.

Mr. Ginwalla: If essential discussion on essential matters connected with the Government administration cannot be allowed, what other clearer argument can be advanced to show that the Reforms have been a failure? We are brought here and are told that we



have come to co-operate with the Government of India. If we want to criticise them, they take shelter behind the rules framed by themselves.

Sir Malcolm Hailey: Is the Hon. member justified in saying that the Government of India is taking shelter behind your (President's) ruling, Sir?

Mr. Ginwala: Please do not misunderstand me. I entirely submit to the opinion of the President. The constitution is worked in such a way that it is possible for the President to give the ruling that he has given just now, that we are not here to discuss any question of general policy and that we must submit to whatever Government allows us to discuss. If this is the kind of treatment, then the Reforms have been a total failure, and it is of no use discussing and merely examining figures here and there. If we are not at liberty to discuss the principles which underlie these figures, resolutions are of no use in discussing great questions of policy. They are mere recommendations to the Government, and they carry little weight. The Executive Council has allowed itself to be dictated to by the Military authorities. It has accepted from the Army people principles to which the people of this country legitimately object. Are we not to discuss on the floor of this House and point out what people think about the principles which you have blindly accepted from the Military authorities?

The motion of Mr. Ginwala was pressed to a division, and resulted in a tie, voting being 48 for and 48 against. But before the division was announced, Haji Wajiuddin was persuaded by Govt. members to say that he had voted under a misapprehension, and that he was entitled to transfer his vote. The President, therefore, declared the motion for reduction to have been lost by 47 to 49 votes. The result was received with applause by Government Members.

The post of a Ceremonial Officer and allowance to non-official members were then proposed to be cut down but were lost when put to vote. A reduction was then proposed in the foreign and political department which was also lost. A large number of other motions were also withdrawn.

#### Army Department.

The main non-official attack then centred round the demand under the Army Department. Mr. Ginwala, in moving by way of what he termed as a vote of censure, a reduction of the pay of officers by Rs. 100, said that this department, instead of being the watchdog of Indian tax-payers' interest, really played into the hands of the Army Member, the Commander-in-Chief. This was evident in the budget debate, when Sir Godfrey Fell had only mirrored the views



of Lord Rawlinson. So far as this country was concerned, the Army Department had no right to exist, because it came on every possible occasions in the way of her interests. The principle enunciated that the Army was maintained in order to protect and preserve internal peace was wholly unacceptable, because that was the function of the police. The Military expenditure had been increasing unconscionably year after year, and it was the duty of the House not to sanction the money required by the Army Department without a real voice of protest and censure.

Sir Godfrey Fell asked : Was the vote of censure on him the return that the House wanted to make to him for all his troubles last year and this year, since he had the misfortune to become the Secretary in preparing two memorandums on Army charges in order to give the Members as full an information as possible about his department? No other Department of Government did so.

A voice from the Democratic Benches : " You don't allow us to know all."

Army Secretary :—Will the Honorary Member kindly point out a single instance in which the information asked was not given?

He said :—After all, were the members justified in passing a vote of censure on his department, especially when they had no knowledge of its working and difficulties. He assured the House that all economies which were possible had been effected in the Army charges. He said that a portion of the Army was kept for the maintenance of law and order, and nobody would be more pleased than the Army authorities to be relieved of this duty of suppressing disorder. He refuted several allegations made by Mr. Ginwala, and explained the system of working of the Army Headquarters and its position in the Government of India.

Mr. Samarth expressed the respect and admiration of the House towards Sir Godfrey Fell and his assistants. (Applause.) The motion was not a vote of censure on him, but on the Government of India's military policy and was an expression of feeling of protest against the decision of disallowing the House to vote on Army estimates. He suggested that the Army maintained for internal security should be reduced and an efficient armed police should be kept to quell civil commotions.

Several other members spoke, including a few Europeans, who all joined in condemning the military policy.

The motion for reduction of the nominal sum in the Army department was then put and carried by 60 votes against 28. The majority included almost all non officials, Europeans and Indians, and the motion was carried by almost the unanimous support of the non-officials.



Mr. Rangachariar next moved for a reduction of Rs. 5,43,800 under the demand for general administration. He said that this reduction represented the general five per cent cut, and he hoped the House would accept it. This was accepted by Government in good grace and the reduction was carried unanimously.

The demand under general administration reduced by this sum and Rs. 100 under the Army Department was then carried.

#### Audit.

The next demand was for Rs. 72,19,000 under Audit. Mr. Rangachariar moved his Party reduction of five per cent. After a short discussion this was withdrawn and the full demand was voted.

### DELHI—17TH MARCH 1922

#### Ports and Pilotage

There was some debate under the head "Ports and Pilotage", for which Rs. 12 lakhs and 47 thousand were demanded. Mr. Rangachariar moved for a reduction of this sum by Rs. 1,19,050.

Mr. Subramanyam requested the Government to agree to an all-round reduction of, at least, 5 per cent. under all heads and thus save the time of the Assembly. This 5 per cent. reduction, he said, was not unreasonable, because in some departments they could easily make large reductions.

The motion for reduction was pressed to a division and carried by 36 to 34 votes. All other motions for reduction under this head were then withdrawn and the reduced demand was sanctioned.

#### Survey of India

The next demand was for a grant of little above 27 lakhs for the Survey of India. Dr. Nandlal moved for the five per cent reduction of the Democratic Party which was carried.

#### Further Grants

The next four demands under Geological, Botanical and Zoological, Surveys, Meteorology and Archaeology were granted without discussion. The demands for Rs. 98,000 under Mines was subjected to a little criticism. Mr. Rangachariar moved for a 5% cut. There was a tie, 44 voting for and against; the President gave his casting vote against the motion.

#### Agriculture

Several other motions for reduction were withdrawn, but a short discussion ensued on the demand for seven lakhs and seventy-three thousand rupees under the head "Agriculture". Mr. Subramanyam, on behalf of Mr. Rangachariar of the Democratic Party, moved for a reduction of this amount by Rs. 55,950.



The motion was pressed to a division, but lost by 46 votes to 44. The total demand under "Agriculture" was then granted.

The demands of Rs. 1,40,000 under "Industries" was reduced by Rs. 65,100.

The next demand for Rs. 37,000 under "Aviation" was reduced by Rs. 2,250 on the motion of Mr. Rangachariar on the ground that Indians were not being trained in aviation.

Demands for Commercial Intelligence, Census and Joint Stock Companies were passed without reduction.

#### *Emigration (Internal.)*

The demand under "Emigration" (internal) was subjected to a lengthy discussion on the motion of Mr. Neogy for reduction (internal) of demand by five cent.

Mr. Neogy drew attention to the pay of the Chairman of the Assam Labour Board and took the opportunity for passing strong remarks of criticism against the treatment of labor in Assam. He informed the House that the Assam Tea Association had framed rules which prohibited an employee going from one garden to another. The Assam Labour Board was evidently existing in the interest of labour, but curiously enough there was no representative of labourers on it.

Mr. Joshi, the labor representative, endorsed the remarks. Mr. Neogy asked the Government to show by their action in future that they were doing their duty towards laborers in Assam. His opinion was that the last labor troubles in Assam were due to economic causes. After a short discussion Mr. Neogy's motion for reduction was put and lost.

The demand for emigration (external) was also granted without reduction, Mr. Sarma pointing out that they needed more for carrying out their external emigration programme.

#### *Miscellaneous.*

The discussion continued next day.

The Government demanded 12,49,000 under the head "Miscellaneous." On the motion of Mr. Joshi, the Government accepted a reduction of the whole demand by Rs. 3,83,800. The reduced amount was then sanctioned.

#### *Currency Expenditure.*

Sir Vithaldas Thackersay then moved a reduction of Rs. 1,50,000 from 30,36,000 put down for expenditure on currency. He said that his grievance was against the policy and not against the work of the department which was no doubt creditable. Mr. Rangachari pressed the amendment which was carried by 43 to 29 votes.



Mr. Rangachari's motion for reduction of the demand for Mint by Rs. 1,05,400 was, however, rejected by 35 to 31 votes.

#### Exchange.

A lively debate then ensued on Mr. Mukherji's motion to reduce the demand under Exchange by five crores. He wanted to know how much of the sum demanded was on account of loss in exchange in respect of Home charges, more especially on the military side.

Dr. Gour said that the whole of the military budget had been camouflaged. Some amount had gone to Aviation, some to Telegraphy, some to Exchange and some more to strategic Railway so much so that the accurate figure he was told was between 69 and 80 crores.

Sir Malcolm Hailey made a vigorous reply on behalf of the Government. He pointed out that they were simply following the old practice under which exchange loss was shown. There was no camouflage in it. As regards the charge that the Government were hiding some military expenses under the head Wireless Telegraphy and strategic Railways, Sir Malcolm Hailey explained that both these particular branches did bring in profits and no loss. He challenged any member to show that there was any camouflaging the military expenditure which is swollen by the loss in exchange on account of Home charges, but the attitude of the Government in regard to their accounts was one of preparedness and frankness.

Mr. Rangachariar assured that there was no intention on the non-officials' part to make any suggestion that the Finance Member was guilty of camouflage, but there were certain items which should rightly be debited to military expenditure. Mr. Mukherji then withdrew his motion and the total demand was granted.

DELHI—20TH MARCH 1922

#### Finance Bill.

On the Assembly meeting on the 20th, Sir Malcolm Hailey moved that the Finance Bill be taken into consideration.

Sir P. Sivaswami Iyer, leader of the National Party, took this opportunity of making a long speech, wherein he indicated the attitude of non-officials towards the Finance Bill. He said that they felt that the proposals for additional taxation were mainly the result of the enormous military burden. During the discussion of the demands the Assembly had effected certain retrenchments. Financial expedients might also be adopted to tide over the crisis in the ensuing year, but these were only temporary measures. He was sure that unless military expenditure was reduced there was no prospect of any substantial relief from taxation. The Government must cut down expenditure to limits commensurate with the tax paying capa-



city of the people. The other day the Commander-in-Chief had told them that no considerable reduction could be effected in military charges without reducing the strength of the combatant forces. The speaker also did not propose any reduction in the numerical strength of fighting units, but he was sure that there was ample ground for economy in the charges of auxiliary services departments and staffs. He then proceeded to take these services one by one, and showed that according to his proposal a cut amounting to about Rs. 6 crores could be effected. Among the services which he enumerated as capable of undergoing retrenchment were the Sappers and Miners, Army Signal Service, Mechanical Transport and Medical Service. The cost of Army educational institutions, such as Physical Training Schools, Cavalry and Artillery Schools, travelling allowances, cost of Air Force, etc., could also be reduced. He drew the attention of the House to the fact that the Inspector of Physical Training was drawing an unduly high salary of Rs. 64,200 annually. He also particularly objected to India paying for the education of British soldiers to fit them as more useful citizens of the Empire. These soldiers, he contended, left the country on the termination of their services, and England and not India benefitted from their training. The cost of education of these soldiers should, therefore, be more borne by the Home Government. He said that his proposals to effect saving were based on the principle of cutting off the luxuries of the organisation. He was sure that the Commander-in-Chief was inspired by the supreme motive of India's safety, but he appealed to him to consider the reaction of military expenditure and additional taxation on the political situation. For, were they not entangled in a vicious circle of increase in military expenditure, raising the cost of living, thus increasing the discontent and then necessitating further increase in the Army charges because of greater discontent? He hoped, therefore, that the Military charges would be reduced and that the policy of Indianisation would be pursued. He trusted that, as an earnest of this, ten British Units would be replaced next year, thus reducing the expenses by Rs. 135 lakhs. Moreover, at present when the Afghan Treaty had been concluded and when the world was yearning for peace India should be content to remain with the second best or third best Army rather than the first best. He concluded: "For Heaven's sake don't play into the hands of agitators who are sure to exploit the burdens of Military expenditure as calculated to keeping the Nation down under an ever-increasing load and send the constitutional Reforms to a watery grave."

Sir Malcolm Hailey complimented Sir Sivaswamy Iyer on his most valuable contribution. The Government had, on its part after most anxious and careful consideration, come to the conclusion that



it could not budget for less than 62 crores for military expenditure for the ensuing year. In this connection he admitted with pleasure that Lord Rawlinson had proved not only a soldier, but a statesman; for in their discussions in the Executive Council the Commander-in-Chief had recognised that there were other problems affecting the State than purely military efficiency. He said that the speech of Sir Sivaswami Iyer showed that the Government could not be charged with not laying military facts before the House.

Mr. Rangachariar :—Give us more facilities.

Continuing, the Finance Member said :—Sir Sivaswamy Iyer had said that all the figures he had quoted had been taken from books supplied to the House by the Government. (Hear hear). Sir Sivaswamy Iyer had confirmed that the charge regarding keeping back information on military matters as compared with other departments was baseless. The Finance Member announced that the Government contemplated that the proposed Retrenchment Committee should be asked to examine both Military and Civil expenditure (applause), and that, therefore, the valuable suggestions of Sir Sivaswamy Iyer would be considered by the Committee, the personnel of which, he said, would be authoritative that the House, the Government as well as the country would respect its opinions and decisions.

The House then agreed to take into consideration the Finance Bill. On the motion of Mr. Rangachariar the consideration of Clause No. 1 (containing the preamble) was postponed till other clauses had been disposed of. There were motions for the omission of Clause 2.

#### Salt

Sir Malcolm Hailey pointed out that under the Salt Act the Government had power to raise by Executive order the salt duty up to the maximum of Rs. 3. Clause 2 of the Bill proposed to limit this power of the Executive to raise the salt duty only to Rs. 2-8 during the ensuing year. If, therefore, the Clause was omitted, the Executive would, according to the old statute, keep the power of raising the duty up to Rs. 3 per maund. The President then called upon Mr. Joshi to move the amendment which proposed to substitute Rs. 1-4 in place of Rs. 2-8 in the clause. The effect of this is that the Executive cannot raise the existing taxes during the ensuing year.

Mr. Joshi and half a dozen of his non-official supporters opposed the proposed tax on the ground that it taxed the poorest of the poor.

The motion of Mr. Joshi was then put and carried by 66 votes to 32. Thus, the proposal for raising the salt duty to Rs.



2-8 was turned down in favor of the existing duty of Rs. 1-4. Clause 2, as amended, was agreed to. Clause 3 substituting a new schedule for the second schedule to the Tariff Act was adopted without discussion.

#### Cotton Excise Duty

Mr. Jamnadas Dwarkadas moved the deletion of Clause 4 which would result in the negation of the proposal for increase in duty on cotton excise. He made a long speech opening up chapter of past history showing how India has been sucked dry by Lancashire and how India's interests have since been subordinated to Lancashire by her British Rulers.

Mr. Innes put the plain issue as being whether the House wanted money to go into the pockets of the mill-owners or to the public exchequer when the latter was so badly in need of money to cover unavoidable deficits.

Mr. Rangachariar said that instead of the country growing richer, it was actually getting impoverished and under-clothed, because every person, on the average, was now wearing ten yards of cloth compared with 18 in pre-war days. He observed that Indian non-officials could never agree to the excise duty which was vicious in principle. He held out the hope of real sympathy to those who proposed to maintain the existing tariff duty. He emphasised that non-officials did not consider themselves bound to find the money for meeting expenditure over which they had no control. Certainly, this attitude was not mischievous, but one intended to improve the Government and thereby improve the country.

Sir Vithaldas Thackersey said that while he would repeat what he had said before the Fiscal Commission that he did not want any protection for the textile industry in India, his main ground for opposition was the countervailing excise duty. Most of the cloth used by the poor was Indian-made and there was no question of competition in this case with Lancashire, and therefore, no fear of a rise in price. If the Government proposed a production tax, let it consider the question in all cases, but it should not levy a counter-vailing tax. They were told that if they did not sanction additional taxation, prices would rise. Well, it was a case of a prodigal son spending all his money and the father giving more money, the son getting spoilt and the father insolvent. (Laughter.) They wanted to sanction only what the country could pay for. They would, therefore, vote for only twenty crores. He repeated his previous proposals, such as the transferring of railway annuities to capital charges and utilising the interest of the gold standard reserve etc. to cover a portion of the deficit. He



said that the House would be justified in throwing out the proposals for taxation to the extent of ten crores, so that the Government might be driven to reduce its expenditure, especially military estimates.

Sir Montagu Webb appealed to the House that in order that the deliberations of the Fiscal Commission might not be prejudiced, there should be no disturbance in the existing relations between the excise duty and import tariff. If therefore the excise cotton duty was to be rejected, they should also do the same in the case of the Customs duty. The Assembly should find some means to meet the present deficit.

Sir Malcolm Hailey explained that the Government had proposed cotton excise duty for two reasons, first, because it found itself in distress of finding money to cover the heavy deficit. He reminded the House that there was no question of counter-vailing duty, for, was it not a fact that last year the Government raised the tariff duty to eleven per cent and did not touch the excise? This year it had touched both because it found that if it left the Indian mill clothes, the result would be that additional profit would go into the pocket of either the mill owners or the middlemen, but would not go to the consumer. Surely, when India produced cloth which was only 40 per cent of her needs, the increased prices of the remaining 60 per cent were bound to result in corresponding increase in the price of Indian made cloth. The Government thought it could justly help itself by taking the profit which would go to millowners. Secondly, the Government was very anxious that while the Fiscal Commission was sitting, it should not disturb the existing relations between the two duties. He was waiting for the Fiscal Commission's recommendations for something much better in the way of consumption tax than at present. The House should let them have the cotton tax if only for six months until they got something from the Fiscal Commission which would give more money. He hoped that the common sense of the House would be with him in supporting the duty.

Mr. Ramji considered the proposal inequitable and unjust.

The proposal was then put and by 55 votes to 38, the Assembly rejected the clause, thus turning down the proposal for the enhancement of cotton excise duty. The throwing out of this duty means a loss of two crores to the Government. The loss from the rejection of salt proposal was Rs. 430 lakhs. Thus the loss from the rejection of taxation under these two heads amounts to Rs. 630 lakhs.

#### Kerosine

After the cotton excise duty had been refused sanction, the Assembly turned its attention to the clause relating to the imposi-



tion of excise duty of one anna per gallon of kerosine produced in India with a corresponding increase in duty on imported petroleum from one and half annas to two and half annas per gallon.

Dr. Gour opposed the imposition of tax on kerosine, because it hit the poor.

Mr. Innes, the Commerce Member, in explaining the necessity for this imposition of tax, prefaced his speech with the observation that the attitude of some non-official members in regard to the taxation proposals seemed to be unreal. It looked as if they came to the House to decree their decisions in the lobbies. Let them consider what the effect of this tax would be on the people. The effect was that every head of the population would be taxed half an anna for the year or two annas per family of four. This certainly was not a heavy taxation. Further, it must be remembered, that in two or three days the price of kerosine oil was going to decrease, because the Burma Oil Company, in a letter to the Government of India, stated that, in view of the import of kerosine from foreign countries, they had decided to lower the price of oil by nine annas per two tins of four gallons, and that if there had not been the imposition of excise and import duties, the price would have gone down by one rupee one anna for the same quantity.

Mr. Rangachariar, at this stage, moved that the consideration of the kerosine tax be adjourned in order to enable the members to verify the figures relating to the consumption of this oil. This was carried.

#### **Freight Tax Act.**

The Assembly next took into consideration the clause proposing the repeal of Act 13 of 1917 (the Freight Tax Act) with effect from first April. The existing rates of surtax, explained Mr. Innes, were imposed for the year 1921-22. The surtax would be replaced by increased rates on goods traffic on railways from 1st April 1922 and in consequence no surtax would be levied from that date.

A long discussion ensued in which many non-official members, including Mr. Joshi, Mr. Rangachariar, Mr. Neogy, and Sir Vithaldas Thackersey urged the Government not to increase the rates on third and Intermediate class passengers from whom more than five sixths of the revenue was obtained and yet convenient arrangements were not provided for them. Any additional revenue which the Government would get from imposing the new freights must, they contended, be turned to providing comforts for the poor third class passengers.

Some members said that they would oppose the repeal of this clause unless the Government gave assurance that the passenger rate would not be increased.



Sir Malcolm Hailey and Mr. Innes explained that the clause had nothing to do with the third class passengers' fare and pointed out that the increased goods freight calculated on the discriminating basis would have to take the place of existing surtax. It was not possible for them to give any guarantee about the third class passenger rate.

Eventually the Freight Act of 1917 was repealed.

A few amendments were discussed to the schedule to the Bill and the consideration of other amendments was postponed till the next day,

## The Council of State

DELHI—20TH MARCH 1922

### Mr. Gandhi's Prosecution

On the Council of State assembling on the 20th March, after question time, Syed Raza Ali asked for leave to move an adjournment of the House to discuss the policy of the Government as evidenced by the prosecution of Mr. Gandhi and its effect on the country. The President wanted to know how this motion referred to a specific matter of recent occurrence. Mr. Raza Ali maintained that it was a specific matter in so far as it related to Mr. Gandhi's prosecution, and it was recent because the sentence was delivered only on Saturday, since which there had been no meeting of the Council. The arrest was, no doubt, made on the 10th of this month. But as long as the case was *sub judice*, it was not open to any member to bring that matter before the Council. Now that the trial was over, the subject was one which fell within the cognizance of the House.

After the usual official statement of facts has been made Mr. Raza Ali said what he wanted to point out in the discussion was the severity of the sentence on Mr. Gandhi and the pace of Reforms that was to be introduced in this country.

The President said that Mr. Raza Ali wants to raise the general question of policy after hearing the Hon. Mr. O'Donnell. I am of opinion that there is no change in the policy. I disallow the motion.

### The Genoa Conference.

Mr. Sethna moved that, in view of the approaching International Conference at Genoa, this Council recommends to the Governor-General-in-Council the desirability of sending a representative for India elected by the Indian Legislature and with definite instructions.

After a short discussion the motion was put to vote and lost by Government opposition.



## The Legislative Assembly

DELHI—21ST MARCH 1922

## Cotton Import Duties

The Legislative Assembly met on 21st March and resumed discussion of the Finance Bill. Mr. Rhodes moved that the import duty on cotton piece-goods should be reduced to 11% and that it should remain as it is at present and should not be raised to 15% as proposed by the Government. There was a very keen and long debate on the question and a very interesting passage at arms between Dr. Gour and Mr. Dwarkadas, the former having made a fling at the Millowners.

Sir Malcolm Hailey asked the House to consider the question on its merits alone. The House having refused to sanction the increase in the case of cotton excise the question for the Government to consider was whether it was worth while that for the sake of Rs. 140 lakhs which were expected from increased tariff on imported piece-goods they should face those undesirable political consequences which would follow from increase on general cost to the consumer. My advice to the House, therefore, is, said the Finance Member, that it is not worth while for the sake of Rs. 140 lakhs to bring these consequences upon the country at present, and that for the sake of a smaller sum it is not reasonable that the general consumer should face a rise in price. I deplore any loss of revenue, but I must look at the consequences which I have pointed out to the House. Are they proportionate to the benefits to the State? My feeling about this increase is that it will cause an amount of disturbance which is not proportionate to the (a Voice : Manchester.)... Sir Malcolm Hailey in an emphatic, loud and indignant voice said he could repeat for a hundredth time that there were no outside influences. The Government, he declared, was second to none in the House in its determination to secure liberty in fiscal matters.

Sir Sivaswamy Iyer also observed that if the Government gave an assurance that it would not restore the taxation proposal turned down by the Assembly then he would support the 11 per cent duty on imported cloth.

The amendment of Mr. Rangachariar for 11'5 per cent was put and negatived and Mr. Rhodes' motion for keeping the tariff duty on imported cloth at 11 per cent was carried by 68 votes against 30.

## Duty on Imported Silver

Mr. Spence moved his proposal for raising revenue by imposing a duty of 2 annas per tola on silver imported into this country. He



said that he was sure that silver was a real luxury which could properly be taxed.

Sir Malcolm Hailey pointed out that it was not a wise policy to interfere with the free movement of precious metals. The net result of imposing a tax might be an additional revenue of 1 crore, but it was a very fluctuating figure, because sometimes there would be more export than import in which case the Government would have to pay more in the form of bounties than what they might get out of the tax on import. Moreover, the instinct of very many people was against the imposition of tax on import of silver, and Sir Malcolm Hailey, therefore, adhered to the position he took last year.

Mr. Spence's motion was then rejected.

Perfumes, Wine etc.

Mr. Haji Wajiuiddin then proposed the doubling of duty on perfumes, spirits, liquors and wine.

Sir Malcolm Hailey opposed the motion which was eventually lost. Thereupon, Mr. Schamnad proposed that the duty on these articles might be increased by 30 per cent, but after some discussion it was also rejected.

Other items such as sugars, textiles, matches etc. were taken up. The most important motion was that of Mr. Kamat who wanted out to throw out the duty on machinery. Mr. Rangachariar moved an amendment to reduce the duty from ten to two and half per cent. This was supported by Mr. Rhodes and Sir Malcolm Hailey had to accept it. The House next turned its attention to to the Kerosine excise which was agreed to without being pressed to a division.

### DELHI—22ND MARCH 1922

#### The Finance Bill

Further consideration of the Finance Bill was taken up on the day. Schedule 2nd of the Finance Bill containing new proposals for the raising of postage was then taken up.

Several amendments were brought forward regarding the postal charges. The Government proposals were to raise the minimum cost of letters to one anna and to double the cost of the postcard.

Although some members deprecated the increase in postal rates which would severely affect the poor, the sense of the House generally favoured the proposed increase.

The main point of contention, however, arose on the motion of Mr. Darcy Lindsay. Agreeing to all other proposals of Government, he urged that letters in stamp-embossed envelopes should cost only half anna for weight not exceeding half tola.



Mr. Rangachariar and other non-officials supported this amendment. They pointed out that the Government's loss over Posts and Telegraph department was only 90 lakhs while the new postal rates were expected to bring in additional 160 lakhs. The Government was not justified in using postal profits for general revenue. The adoption of Mr. Lindsay's proposal would bring in about 120 lakhs which was still more than the deficit in the Post and Telegraph department.

Mr. Sarma pointed out that the postal department was being run at an actual loss of 170 lakhs, because in the combined departments of post and telegraph the profit of 80 lakhs under telegraph was consumed by the postal department and there was in spite of that a loss of 90 lakhs. In order that this department might be run on a commercial basis they must sanction increased rates which were expected only just to cover the loss in the department. Moreover, very much had still to be done in order to extend postal service to various rural areas which were now without it.

Sir Malcolm Hailey took strong objection to the arguments that the profits of the telegraph department should be utilised for covering the deficits of the sister department. Would the House agree to make profits over irrigation and pay the loss over railways merely for administrative convenience? The two services were combined and run by one department. The House must agree that each department should meet its expenditure independent of any other department. While the Government did not hope to get any help to the general exchequer from postal revenues he pointed out that Japan, Canada and other countries were making large profits out of this service. Further he informed the House that increase in expenses of this service to the extent of 131 lakhs was due to increase in the pay of the subordinate establishment.

Mr. Spence said that, although he had pledged his new party of European members to support Mr. Lindsay, he had after hearing the Government members changed his mind and would vote with the Government. He also asked Mr. Lindsay to withdraw his amendment.

Sir Vithaldas Thackersay and Mr. H. Visbindas followed in the same strain and supported the Government proposals.

The result of the tide, having been thus turned, was that all amendments were rejected and schedule 2 containing Government proposals for the new postal rates was passed without any amendments.

Schedule number 3 containing new rates of income-tax and super-tax was also passed without amendment.



The House then considered the preamble and clause 1 of the Finance Bill. Mr. Rangachariar attempted to place clause 2 permanently on the statute book. The effect of this proposal would have been that unless with the sanction of the Assembly, the Salt Tax could not be raised above Rs. 1-4-0 per maund.

The Finance Member showed that constitutionally the proposal was impossible because it took away from the Governor-General the power of raising the rate by notification. The proposal was then put and rejected.

Sir Montagu Webb moved the addition to the Finance Bill of a new clause 7 which would run : "In Sub-Sec. 3 of Sec. 13 of the Indian Paper Currency Amendment Act 1920, for the figure 1921 the figure 1923 shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April 1921." The effect of this amendment would have been that the interest on paper currency securities would be utilised for the purpose of revenue. Sir Montagu Webb calculated that by this step the Government would be able to get additional four crores, and cover its deficit accordingly. He depicted the baneful results which must follow further inflation in currency as a result of uncovered deficits, and asked the House to vote with him in getting Government revenue to the extent of four crores. He referred to the Finance Member's budget speech and showed how disastrous an effect would the contemplated deflation of 33 crores have on the trade and commerce of the country. In America and Europe these deflations had produced dangerous effects as was shown by that eminent authority, Professor Cassell, in his statement before the Financial Section of the League of Nations some months ago. The speaker further showed how the Secretary of State could do without drawing on India during the coming year. He said that the Assembly having refused to impose duty on silver must now consider this new proposal of his in order to save the Government from financial suicide. Sir Montagu explained that the proposed legislation would be of a temporary nature only and that after March 1923 the interest on paper currency securities would be applied to the deflation of the paper currency. The objects of the proposal were two. First, to provide Government with revenue to take the place of a portion of that revenue refused to Government by the Democratic and National Parties, and, secondly to avoid the dangerous scale of deflation foreshadowed in the ways and means portion of the Finance Member's speech of the 1st March.

Mr. Ramji and Sir Vithaldas Thackersey supported the motion on behalf of Indian merchants.

Sir Malcolm Hailey, while defending the Government's attitude



in the past regarding interest on Paper Currency securities, accepted Sir Montagu Webb's amendment in view of the fact that financial experts in the House had supported it. He emphasised that in order to provide funds to the Secretary of State the Government had to carry out the deflation programme outlined in his statement of March 1st. He hoped that this transference to revenue of the interest on Paper Currency securities would not be viewed with suspicion by the money markets of the world, where they had to raise big sterling loans. If the House agreed to the proposal under discussion, it would help revenue by three crores and three lakhs and not four crores as anticipated by the mover. As to utilizing the excess over Gold Standard Reserve which had been suggested by previous speakers, he left the matter to the House to judge on its merits. Replying to an enquiry in this respect the Finance Member said that the amount by which the revenues could be helped by the excess in the Gold Standard Reserve was three crores.

Mr. Rangachariar opposed the amendment of Sir Montagu Webb on grounds that a wrong method has been adopted in balancing the Budget. Balancing should be done by curtailing military expenditure and not by increasing revenue by dubious methods.

Sir Sivaswami Iyer supporting Sir Montagu Webb said that the Assembly by its action in the past few days, relieved the taxation burden to the extent of nine and a half crores. It was the duty of the House to help the Government in expanding their resources of revenue.

Dr. Gour rising to a point of order pointed out that Sir Montagu Webb's motion was not an amendment of the Finance Bill but an original motion to amend the Indian Paper Currency Act and was thus inadmissible for consideration under Rule 64, Sub-Clause 4 of the Standing Orders. It could not therefore come up as an amendment and his motion was out of order.

The President pointed out that the amendment of the Paper Currency Act was part of the Finance Bill, which, if passed, would be known as the Finance Act.

Dr. Gour further pressed his point saying that clearly under the Rules Sir Montagu Webb could not amend the Indian Paper Currency Act.

Mr. Rangachariar pointed out that in the preamble no mention had been made of the Paper Currency Act.

Sir Malcolm Hailey asked permission of the President, to formally move the amendment in accordance with the practice followed in the House from time to time.

Mr. Samarth enquired whether the provisions of Section 12 of the Indian Paper Currency Act of 1920 had been brought into



operation. If they were not, then an amendment of Section 13 would no doubt be permissible by adopting the proper procedure for such amendment but not by a side issue.

After discussion the amendment was pressed to a division and carried by 56 to 41 votes.

After the Finance Member had made his final speech the Finance Bill as amended by the Assembly was passed.

#### The Net Result.

The result of the last 5 days' debate on the Bill was that of the total taxation proposed, namely about 29 crores, the Assembly refused nine and a half crores, and agreed to 19 and half crores. On the other hand the House had transferred three crores of Paper Currency Reserve interest to the revenue. The final result was that there was an uncovered revenue deficit of about six crores sixteen lakhs.

#### DELHI—23RD MARCH 1922

#### Representation in Imperial Conference

The Assembly met on 23rd. March for non-official resolutions.

Dr. Gour moved that the Governor-General-in-Council be pleased to make it a rule in future to substitute election by the Assembly for nomination by the Government of all the representatives of India to Imperial and other International Conferences. The debate that followed on this resolution, the various arguments adduced, and the final fate which the resolution met, followed the same lines as was witnessed in the Council of State a few days ago on a similar motion by Mr. Sethna. The proceedings in the Assembly were, however, comparatively more interesting and hotly contested.

Dr. Gour, in moving his resolution, said that, while he was not unaware of the fact that a similar motion had been rejected by the Upper Council, he was moving it, being conscious of the justice of his case. He quoted the opinions of the Premier, Mr. Lloyd George, Mr. Chamberlain and Mr. Weign, Ex-Canadian Prime Minister, to show that all had recognised that India was now granted a new status of equality with the Dominions. In view of this position, the Government of India could not continue to appoint delegates arbitrarily, although he freely admitted that the delegatas so far chosen were the very best men of India, but the procedure adopted in making this appointment could no longer be reconciled with India's new position of equality. What other authority for the necessity of the suggested change could be, he quoted, than the Right Hon. Srinivasa Sastri's, who while speaking at the last Imperial Conference had said :

The Maharaja of Cutch and myself cannot fail to remember that the position we occupy here is not comparable by any means to the position occupied by our



colleagues from the Dominions. They are called here by virtue of their being Prime Ministers. We have come by nomination from our Government. We realise that that marks a great difference in our status. We hope that, the next year or the year after, our successors who will come in our place here will come by a better right. The person who will represent in the place of His Highness more than one-third of the British Territory in India will probably be chosen by the Chamber of Princes by election, and the man who takes my place may likewise be elected by the Central Legislature of the land.

Dr. Gour asked the House to consider these and decide accordingly.

Sir William Vincent in strongly opposing the resolution, covered almost the same grounds covered the other day by the Home Secretary in the Council of State, but he put his case more forcefully. He said that the plain facts were that the Government of this country was run under the provisions of the Government of India Act, and the Assembly also owed its existence to that Act. No lawyer could deny that under the constitution the ultimate responsibility for the Government of India was vested in the Governor-General in Council subject to the control of the Secretary of State, and the power to discharge that responsibility must also be vested in the same authority and could not under the existing law be divided between the Governments and the Legislature. The Government was always amenable and open to the influence of the Assembly. Could any one say that under the Reforms Act the Assembly had no power, as was attempted to be proved by Mr. Ginwala the other day? Did not the Assembly cut down the Government's expenditure by one crore, and had it not refused about 9·5 crores of additional taxation? Could any one then say that the powers of the Assembly were nil? He further asked, was there any civilised country in the world where delegates were elected by the Legislature? None to his knowledge. These delegates went to represent the Government of the day whatever that Government might be, for otherwise how could the delegates bind their Government to any course of action, which had not the sanction of that Government? Supposing India's representative was elected by the Legislature, it would expect him to be responsible to it. If on any question there was a difference between the Government and the Legislature the representative would not be able to serve two masters, for he could not at any conference bind his Government beyond which that Government had authorised him to do. Under the Act, the Government must be unfettered in making the choice, and after all, the representatives so far chosen, like Lord Sinha, Sir Ali Imam and Mr. Sastri had been those who enjoyed the confidence of the country, and in future selections they would take care to see that only those are chosen



who enjoyed the confidence of the people, but they must agree that the responsibility could not be divided with the Legislature. "The question at issue was not only inconsistent with the provisions of the Reforms Act, but it will be a bad precedent for the future when there would be responsible Government in this country. The duty of choosing their representative was the sole concern of the executive. The resolution, he believed, would make the Government's position impossible.

Mr. Samarth then moved his amendment which laid down that the Government should select representatives of India to the Imperial and other International Conferences out of a panel of 6 Indian members elected by the Council of State and the Assembly, two by the former and four by the latter from among their respective non-official members.

Both Mr. Samarth and Mr. Kamat accepted the constitutional position as expressed by the Home Member, but held that their proposal was the best compromise consistent with the Reform Act.

Sir William Vincent said that, although the amendment looked more reasonable than the original resolution, he failed to see how he could possibly accept anything infringing the full right granted by the Statute to the Governor-General in Council and the Secretary of State to nominate these persons. The panel of the members elected by the Legislature was responsible to it, and how could the delegate discharge his duty in the case of disagreement between Government and the Legislature, although so far very little difference between them had existed. How could they be sure about the constitution of the next Assembly? Moreover, the restriction of selection to the panel from the central legislature would be unreasonable, for were there not in the Provinces great men who would be far better representative than some members here? Moreover, supposing that there was a question concerning the Muhammadans, would not the Government be allowed to choose the best Muhammadan, even if he was not a member of any Legislature? He objected to any camouflaging in the matter. There must be either election or unfettered selection by the Government. No compromise was possible. The Government would continue to choose the best men but they could not divest themselves of their statutory responsibility.

Dr. Gour, replying, said that Sir William Vincent had not replied to his point as to how could the Indian's much advertised status of equality, although Lord Curzon was still calling her a subordinate branch of the British Administration, be reconciled with nomination by the Government of India? The representatives of other Dominions were responsible to their legislatures, while that



was not the case in India. He asked what steps they would take to strengthen the weakness in Mr. Sastri's position as a nominee. The Home Member had said that they gave instructions to their delegates and had to supplement them later, but only recently, in a reply to Mr. Neogy's question, he had admitted that the Government of India had no knowledge of the instructions given to Mr. Sastri regarding the Washington Conference. Dr. Gour agreed to accept the amendment of Mr. Samarth.

Dr. Gour's resolution, as amended by Mr. Samarth, was then put but was rejected by 49 against 36.

#### Cotton Cultivation

Rai Bahadur T. P. Mukerji urged the Government to appoint a Committee to make full enquiry and report about the cause of the cotton cultivation in India—especially in Dacca, Mymensingh, Tipperah, Jalpaiguri and Chittagong—gradually disappearing, and to take steps to increase the cultivation in India. The mover quoted statistics from blue books and showed that, while the area under cotton cultivation in 1892-93 was 231,800 acres, it had gradually decreased from year to year until in 1919-20 it came down so low as 69 thousand acres! India had been growing so much of cotton in olden days that not only was she able to supply her own needs but was finding markets for her produce in outside countries, but now on account of the scandalous policy of the British Government which protected Lancashire merchants in dumping their goods free in India and thus competing with Indian cloths, the Indian cotton growers got discouraged and there had been decrease in the cultivation of cotton. Mr. Mukerji then spoke of the great decrease in the cultivation of cotton in the several districts of Bengal which he had mentioned in the resolution and regretted that Calcutta which was once the great emporium of trade in cotton was hardly so now. If Government could not in these financially hard days appoint a Committee for this purpose they could at least refer the matter for the consideration and opinion of the central cotton committee of Bombay.

Mr. Hullah, Revenue Secretary, naturally opposed the resolution. He quoted figures to show that taking the whole of India and not Bengal particularly, the area of cultivation had increased during the last 25 years by about 50 per cent. This cultivation did not refer to cotton alone, but wheat and other crops. This factor should be taken into consideration while pointing to the decrease in the cultivation of cotton. Mr. Hullah emphasised that the matter was one purely for the local Governments. The Government of India had nothing to do with it, nor did they think it necessary to refer it to the Central Cotton Committee.



The resolution was lost, 24 voting for and 39 against it, some non-official members remaining neutral.

**Divisional Commissioners.**

Mr. Pearl Lal Misra moved that the posts of Divisional Commissioners in various provinces of India be abolished. He pointed out that there were 42 Commissioners in the whole of India, including Burma, costing about 40 lakhs every year and doing merely the work of a Post Office between the District Officer and the Local Government. In some provinces there were Boards of Revenue as well as Commissioners! This system was unnecessary and entailed a heavy loss on the exchequer and must be avoided. Why not the work which was done by these Commissioners be transferred to the Executive Councillors in the Provinces?

Sir William Vincent, on behalf of the Government, admitted that the Reforms had imposed large burdens on the Provinces, but at the same time the question of the abolition of Divisional Commissioners must be examined on its merits quite apart from anything else. The Reforms had not made much difference in the work of the Commissioners, particularly in regard to the Reserved Subjects. In those parts where the Commissioners had got to do the work of the Transferred Subjects, the case was strong in favor of the reduction of the number of Commissioners, but he did not think that in the matter of revenue appeals the House would contemplate with equanimity the transfer of the appellate jurisdiction to officers of the Tahsildar grade. On the other hand, if they transferred that work to the members of the Board of Revenue, they might have to increase the number of those officials. That would mean a system of centralisation which might cause very great inconvenience to those concerned. Moreover, there were inexperienced officials in some districts, where it was necessary that there should be Commissioners in order that they might be help both to the Government and the District Officers. The work of the District Officer was now-a-days getting more and more difficult, and if at any time he wanted help from senior officers, it was the present. However, Sir W. Vincent admitted that there was a case for further examination, and he therefore undertook to consult the Local Governments on the question of abolishing or reducing the number of appointments.

Lala Girdharilal Agarwalla then moved for a Committee for taking steps to provide the means of dealing out cheap and speedy justice to the inhabitants of British India with a view to allay the great discontent prevailing among them owing to the great delay and heavy expenses incurred by them in obtaining justice, especially in civil cases. The resolution was put and lost.



## M. L. A's. and the Administration

Mr. Spence moved the following resolution ; "This Assembly recommends to the Governor-General in Council that members of the Legislative Assembly be appointed by the Governor-General under Section 43-A of the Government of India Act to be associated with the Departments of the Government of India other than the Army and Foreign and Political Departments in order that they may be trained up in the administration of the Government and relieve the Government Members and Secretaries of a part at least of the work in the session of the Legislature.

As soon as Mr. Spence had finished reading the resolution, Sir William Vincent moved that the discussion thereon be adjourned to another date as it was already a late hour in the evening. The House was generally in favour of this arrangement, and it was then decided accordingly.

DELHI—25TH MARCH 1922

## Repeal of the Press Act

On the Assembly meeting again on the 25th, Sir William Vincent moved for the consideration of the Report of the Select Committee on the Bill to repeal the Press Act, of 1910, and the Newspapers (Incitement to Offences) Act of 1908, to make certain provisions in regard to liability of editors of newspapers, to facilitate the registration of printers and publishers and to provide for seizure and disposal of certain documents. The most important of the changes made by the Select Committee was that the name of the editor should appear in any part of the paper and not necessarily on the front page as proposed in the Bill as originally introduced.

Dr. Nandlal voiced his opposition to the publication of the editor's name on any part of the paper.

Dr. Sapru, who was the Chairman of the Committee which recommended the repeal of the Press Act, said that the decision about the publication of the editor's name had been arrived at after careful and anxious examination of the whole question in order to find means to fix the responsibility on the editor of a newspaper. A large number of witnesses, the majority of whom belonged to the journalistic profession, favored the suggestion incorporated in the Bill. This was found to be the only solution after a genuine attempt, and if Dr. Nandlal or any other member could make a better alternative proposal, he would be quite willing to accept it.

The House then agreed to the consideration of the report of the Select Committee.



On the motion of the Home Member, one drafting amendment was made in the schedule of the Bill, wherein for the words "such newspapers" were substituted the words "every copy of the issues of the newspaper containing such matter and every copy of such," etc.

Mr. M. G. Mukundaraja Aiyangar moved an amendment to Schedule IV, the first Clause of which as it stood gave power to any officer in charge of Post office or authorised by the Postmaster-General to detain newspapers and other articles transmitted by post. Mr. Aiyangar moved that only those officers should have the power of detention as would be authorised in this behalf by the Postmaster-General and not any officer in charge of a Post Office.

Sir William Vincent accepted this amendment, which was adopted by the House. The Bill to repeal the Press Act was then passed unanimously.

The Assembly next agreed to the circulation of the Bill to assimilate the law in British India relating to official secrets to the law in the United Kingdom.

Sir William Vincent, introduced the Bill further to amend the Criminal Tribes Act.

#### British Empire Exhibition

Mr. Innes, Commerce Member, moved that necessary steps be taken and funds provided to enable India to participate on an adequate scale in the British Empire Exhibition to be held in London in 1924. He said that although no correct figures of the probable expenditure were available from Mr. Chadwick, the High Trade Commissioner in London, it was estimated that a sum of at least Rs. 65,000 would be required, and that if the figure should exceed that, a supplementary grant might be sanctioned by the House. He recognised India's financial stringency, but, at the same time, it would be a very serious mistake to hold aloof from the Exhibition.

Mr. Rangachariar suggested to Mr. Innes the necessity of appointing an Indian to help Mr. Chadwick in the organisation of the Exhibition and of allowing Indian students in England interested in the exhibition to visit it.

Mr. Innes fell in with this suggestion and took note of Mr. Rangachariar's proposals. The resolution was then carried.

#### Mr. Montagu's Resignation

Mr. Samarth moved: This Assembly recommends to the Governor-General-in-Council that he be pleased to cable to His Majesty's Government that the Assembly expressed its deep sense of regret at the resignation by the Right Hon. E. S. Montagu of the office of the Secretary of State for India, in which capacity he re-



dered invaluable services to India and Empire for which services this House desired to convey its profound sense of gratitude to him and its unabated confidence in the policy pursued by him as the only policy which wise statesmanship dictates in the best interests of the Empire.

Mr. Samarth said that the whole country had already expressed its regret at the resignation of Mr. Montagu and his motion was meant only to record that universal feeling. The disappearance of the late Secretary of State was a calamity. Mr. Montagu had done the greatest service to India by raising her status to equality with other Dominions and by making her a original member of the League of Nations. The *Times*, London, referring to the cuts made during the Budget votes had accused the Assembly for lack of responsibility, he said. He repudiated that charge, and declared that the Assembly had helped the Government by saving it from additional discontent as a result of heavy taxation. That great authority, Viscount Bryce, in a book written ten years ago, said that the Roman Empire fell because of the bad finances and advised the Indian Government not to create discontent by the heavy burden of taxation.

Sir Sivaswami Iyer asked the Government to repudiate the sinister suggestion of the London *Times*, because there could be nothing more disastrous than that. What the Assembly had done over the Finance Bill was in the best interest of the country. If the Government of England wanted to drive India into revolt, they could not do better than follow the advice of the London *Times*.

Mr. Darcy Lindsay spoke on behalf of the European Community. He credited the late Secretary for the establishment of the Reforms in India which, but for the Mesopotamian muddle, would probably have been the duty of Mr. Chamberlain to inaugurate. While he desired to make the reformed constitution a success, he was not as enthusiastic about Mr. Montagu as other members. He believed that Mr. Montagu was not irreplaceable, There were other British statesmen not inferior to the late Secretary of State, and he hoped that India would continue to receive full sympathy and support from Great Britain which was her right.

Sir William Vincent regretted that the discussion on the resolution had wandered to replies to certain allegations made in a leading London journal. It was not in consonance with the dignity of this Assembly that they should reply to newspaper attacks and it was not reasonable that they should be suffering under apprehensions on account of them. He referred particularly to the speech of Sir P. Sivaswami Iyer who was expected not to take that line. However,



the Government of India would be glad to cable this resolution to His Majesty's Government that it may be communicated to Mr. Montagu. It would be improper, he remarked, for a member of the Civil Service who had served directly under Mr. Montagu to offer any remarks upon his service. Indeed, every member of the House would appreciate the reason for such a course. Strictly speaking the resolution before the House might have been disallowed on the ground that it was not part of the duty of the Government of India to transmit a message of that kind, but he felt that the House would have thought that the Government of India was acting very ungraciously if they had adopted such a course. It was for that reason that they gave the House an opportunity of paying a tribute of respect to Mr. Montagu and appreciation of his services.

Messrs. Subramaniam and Abul Kassem also added their voices of tribute. The latter declared that Islam in general and the Muslims of India in particular owed a heavy debt of gratitude to Mr. Montagu for championing the cause of the Khilafat.

Dr. Sapru took part at this stage. He said that while as Government Member he had his restrictions, he would not have recorded a silent vote. There had been many Englishmen who had loved India. In fact, the Congress movement was started and led in the early eighties by Englishmen, but Indians had not been so enthusiastic about any Englishman as they had been about Mr. Montagu. The reason was obvious. Mr. Gokhale had said that if the foreigners in India treated the Indian question as their own, much of the faults of the English Government would disappear. Although Mr. Montagu was a foreigner and represented a foreign system, yet in his outlook, in his hopes, and in his aspirations on behalf of India, he was perfectly National in spirit. It was not, therefore, the actual work, but the spirit in which that work was done that had endeared him to Indians more than any other Englishman. It was a mistake to believe that there was complete agreement between the late Secretary of State and the Moderates, but if the latter had decided to work the Reforms in the hope of larger reforms through it, then it was mainly due to the personal influence and magnetism of Mr. Montagu. (Applause.) He said that when the present controversies were over, when a serener atmosphere came, when through larger reforms Indian aspirations were realised, he was sure the name of Mr. Montagu would stand above every other Englishman in the eyes of the Indian people. After several other members had spoken the resolution was put and carried amidst great applause.



**The Council of State***DELHI—22ND MARCH 1922*

The Council met on the 21st for a very short sitting to consider certain amendments to standing orders. Next day it met to dispose of non-official resolutions.

The first was moved by Mr. Kale who urged the Government (a) to place on the table of this House a full statement showing the gains and the losses that have accrued to Government since the year 1917-18 on the capital as well as revenue collection with the sale of Council Drafts and Reserve Councils, the revaluation of sterling securities and gold in the currency reserve, the purchase and sale of gold, the purchase of silver and the coinage and the issue of rupees to the public, the repayment by the British Government in London of funds disbursed on its behalf in this country, and the remittance transactions between India and other countries generally showing how the losses have been met and the gains have been disposed of and (b) to consider the desirability of re-examining the basis of the exchange value of the rupee, on which the accounts are being kept particularly with reference to remittances to and from this country.

He said his object was to ask Government to clarify the whole position. So far as remittance and general exchange transactions were concerned, there was an impression that the Government of India incurred huge losses on account of the exchange policy and it had been worked out by authorities on the subject that the figure stood at about fifteen crores of rupees. Many of the gains and losses shown in the accounts were stated to be nominal, and that some of them were real. The whole of their difficulties arose out of the rupee being put on a two shilling basis, and the necessity of finding money for what was called the sterling obligations. During the war owing to rise in price of silver owing to accumulation of funds in England and the necessity of finding money for the prosecution of war there were many exchange transactions between England and India, some of which contained an element of artificiality and he, therefore, wanted to know what was the actual gain or loss.

The Finance Secretary accepted the resolution which was put and carried.

**Treaty Arrangements**

Sir Manekjee Dadabhoy moved that the Secretary of State be intimated that in future India would not be a party to any treaty arrangements involving fiscal obligation and international trade relations until the Indian Legislature had had an opportunity of pronouncing on the same.



Sir Manekjee said it was unjust that the Indian Legislature should not have an opportunity of expressing its opinion on a treaty involving fiscal obligation. He recognised the constitutional difficulties connected with the matter and he did not want to say anything which would not be in consonance with his position as a member of the Fiscal Commission, but he was bound to express the view that the Government should not be a party to any treaty obligation unless it had the confidence of the legislature which must be informed of all the facts. The necessity for such a discussion in the Legislature would be even more necessary in future than in the past, because the proposals of the Fiscal Commission in the matter of Imperial preference and protection were expected.

Messrs. Khaparde and Sethna supported the mover.

After further discussion the mover withdrew his resolution.

On March 24th the consideration of the Finance Bill as passed by the Assembly was taken up. After a lengthy debate it was passed.

### The Legislative Assembly.

DELHI—27TH MARCH 1922.

#### Interpellations.

In reply to a question of Mr. Bhaiman Singh regarding the Chakrata incident in which some soldiers were involved, Sir Godfrey Fell said that an enquiry was held and certain persons said to have been concerned in the affairs were prosecuted but they were discharged by the Magistrate. The question of moving the High Court to direct further proceedings to be taken is now under consideration. Instructions have been issued to all Commanding Officers of Districts and independent brigades to impress on the officers Commanding British Units, the necessity for instructing men in the proper manner of treating Indians. Lectures are given on the subject to British troops by British Officers of the Indian army and a pamphlet on the subject is in the possession of all British Officers. In all cases of misbehaviours, assaults etc., disciplinary action is taken by the Military authorities unless as often happens the offenders are tried by a civil court.

Another question of the same member elicited the information from the President of the Railway Board that certain Railway administrations had pointed out difficulties in the way of doing away with the existing practice of reserving railway compartments for Europeans. As soon as the session was over, the whole question would be taken up and submitted for the orders of the Government of India.

Replying to Munshi Mahadeo Parshad's question, regarding Aman Sabhas, Sir William Vincent said he was not aware as to what pecuniary help was being given to these Aman Sabhas by local Governments. He admitted that the Government of India had drawn the attention of the local administration to the desirability of propaganda against Non-Co-operation and in particular the establishment of a league of the character of Aman Sabha had been commended.

On the motion of Sir William Vincent the House passed without amendment the bill to provide for the incorporation of trustees for the European Hospital for mental diseases at Ranchi and to



make provisions for other matters as passed in the Council of State. The House also agreed on the motion of the same member to circulate for public opinion the Bill to amend the Criminal Tribes Act. Sir Godfrey Fell, Army Secretary, was next given leave to introduce a Bill to amend the Cantonment House Accommodation Act.

**Railway Finance.**

The Hon. Mr. Innes, Commerce Member, moved the resolution recommending adoption of proposals made by the Railway Finance Committee regarding allotment of 1550 crores of capital expenditure for Railway during the next five years and postponement for the next three years of consideration of the separation of railway finance from the general revenues of the country. Mr. Innes said that the object of his resolution was to secure confirmation of the Assembly to the Railway Finance Committee's recommendations on the main questions referred to it. The Acworth Committee had placed financial reform in the forefront of their programme. The picture that this Committee had given about the situation of Indian Railways was not overdrawn. The position therefore was very serious. The Acworth Committee found that it was primarily due to the failure of Government to provide Railways with adequate funds for capital expenditure on development extension and even for essential operations of renewals and repairs. They regarded failure as the inevitable result of a paralysing system which had been adopted to meet the requirement of essentially commercial enterprise of the first magnitude. The result of this policy was inadequate allotments varying irregularly up and down from year to year. They, therefore, recommended complete separation of Railway Finance. The Railway Finance Committee which was appointed by the Assembly during the last Simla session and which sat in Calcutta in December considered the solution of the Acworth Committee and came to the conclusion that, without going into the merits of the policy of separation, it was not a practicable proposition at present, because its adoption would deprive the revenue of a substantial help to the general revenue of the country and would thus mean additional taxation to meet the resultant heavy deficits. It was suggested that in order to cover deficit consequent on the separation a sum might be arrived at which railways might fairly be expected to contribute to the general exchequer. The Finance Committee examined this question, but in view of the uncertainty of receipts and various other factors it was not possible to place reliance on any figure as a basis for a contribution or a sur-tax. The Finance Committee therefore suggested that the further consideration of the proposal entirely to separate railway from general Finance should be postponed for the present,



but if the House agreed to the Committee's recommendation for about 150 crores then it would go a long way towards the end which the Acworth Committee had in view because it would thus be sanctioning a guaranteed programme. If this was accepted there would be no lapse of money voted for any one year, but not spent within that year. Such sums would be carried on to the credit of the railway administration up to the limit of the total amount fixed for the quinquennium. Mr. Innes said that the railway budget might be divided into three main parts, firstly, the ordinary revenue budget for such working expenses as are necessary to raise the revenue expected, secondly, the programme revenue budget for expenditure on special renewals and repairs, and thirdly, capital expenditure Budget. The Acworth Committee had made no complaints regarding ordinary revenue budget while in the case of the latter two kinds of budget they had made their proposals. He believed if the recommendations of the Railway Finance Committee were accepted they would have practically separated Railway capital budget by guaranteed allotment. Therefore, the question of only programme revenue budget remained in this case. The Acworth Committee had complained that the Government had been curtailing the programme for renewals and repairs to meet its financial exigencies. This power for curtailing still remains theoretically with the Government of India, but in view of the fact this question of programme of revenue expenditure had now very largely come before the public eye, and that, even in years of financial stringency like the present, the Government had made provision for the full programme of revenue expenditure asked for by the Railway Board. He hoped that there was no longer any danger of a reversion in respect of this programme to a state of things which was so severely condemned by the Acworth Committee. The upshot of his opinion was that, though they would not be able to give effect to the recommendation of separation of Railway Finance, yet, if the House accepted the recommendation of the Railway Finance Committee, they should have gone a long way towards putting their methods of Railway Finance upon a sound, proper and satisfactory basis. Personally he attached far greater importance to the recommendation of the Finance Committee in regard to capital expenditure. The whole tenour of the Acworth Committee's report was directed towards condemning a system of hand to mouth finance. The whole object of the Finance Committee was, first, to get the principle of a guaranteed programme accepted and, secondly, to get the proposition agreed to, that the first five years of the programme should be Rs. 150 crores. If the House accepted this principle and proposition, it would have introduced a most salutary and important reform and would, he



hoped, make impossible any reversion to a policy of inadequate allotments varying irregularly up and down from year to year. They would never be able to bring Railways to reasonable state of efficiency unless on one hand they guaranteed Railway administration a definite sum of money for capital expenditure over a definite period of years and, on the other hand, required them to expend that sum to the best advantage on the basis of a carefully drawn up programme of improvement. In no other way could they manage the great national asset of our railways with due regard to economy and efficiency. The Government would do everything in its power to insure that the programme be fully worked up to. Every year a budget would have to be presented to the Assembly and would be scrutinized by it. He hoped that in another year a detailed explanatory memorandum of the Railway Budget would be circulated to the Members on the same day as the Finance Member introduced the budget" (applause.)

Mr. Ginwala said that, after taking part in the discussion of the Railway Advisory Council, he felt that the House should not endorse just at present the decision of the Finance Committee on the question of the separation of Railway Finance. Personally he thought that profits of Messrs. Innes and Company, that is, of the Railway, should not be called upon to contribute to the heavy expenditure of Messrs. Commander-in-Chief and Company, that is, military expenditure (laughter.) He therefore moved that the following should be substituted in the place of Mr. Innes' resolution "that the proposal of Railway Finance Committee regarding capital expenditure should be accepted and that consideration of the question of separation of Railway Finance from the general Finance should be postponed till the September Session."

Eventually the motion of Mr. Ginwala was put and unanimously agreed to, which runs as follows :—"This assembly recommends to the Governor General in Council that the proposal of the Railway Finance Committee in regard to capital expenditure should be accepted, but that the consideration of the question of separating Railway from general finance should be postponed till the September session."

#### *DELHI—28TH MARCH 1922*

##### *Prohibition of Delhi Meeting*

On the 28th March Mr. Agnihotri moved an adjournment of the House to consider the situation created by the Deputy Commissioner of Delhi's refusal to allow a public meeting to be held to consider the Khilafat situation. The meeting was proposed to be convened by the Hon. Mr. Raza Ali and some other members of the Indian Legislature



and prominent citizens of Delhi. Mr. Agnihotri said that the matter was of urgent public importance, because there was still time to call a meeting of the kind and wire its views for the consideration of the Near East Conference now sitting in Paris.

Sir William Vincent said that his information was that the Deputy Commissioner was willing to allow the meeting being held in a hall. Mr. Agnihotri replied that the meeting would be so large that no hall would suffice to accommodate the public. That was why the Queen's Garden was chosen for an open air sitting. The President said that the motion was quite in order. He allowed the motion to be discussed in the afternoon.

#### The Finance Act

The President announced that the Governor-General had given his assent to the Indian Finance Act as passed by both the Houses. This announcement was greeted with loud applause.

Mr. Lathe moved that the report of the Select Committee on his Bill to amend the law relating to emoluments claimable by Watandar Hindu priests be taken into consideration.

Mr. Mukundaraja Aiyangar proposed that this Bill, when extended to other provinces, should be so extended with the previous consent of the local Legislature.

The Home Member pointed out that he did not believe that the necessity could arise in the case of other provinces for the extension of this measure. The amendment was, however, accepted by the House. The Bill, as assented to after this amendment, was passed by the House. Its immediate application extends only to the Central Provinces and Bombay Presidency.

Bakshi Sobhan Lal moved that his Bill which proposes to raise, in case of rape, the age of consent of the girl from 12 to 14 years, be circulated for public opinion. By the majority of 7 votes the motion for circulation was agreed to.

Mr. Mukundaraja Aiyangar introduced his Bill to amend the Charitable Religious Trusts Act, 1920. The object of this Bill is to give jurisdiction to the Courts of Subordinate Judges also to entertain and deal with the application under the charitable and religious trusts in case they are empowered in that behalf by the Local Government.

#### Council Secretaries

Mr. Spence moved the following resolution :—“ This Assembly recommends to the Governor-General-in-Council that members of the Legislative Assembly be appointed by the Governor-General under Section 43A of the Government of India Act to be associated with the departments of the Government of India other than the Army



and Political Departments in order that they may be trained up in the administration of the Government and relieve the Government Members and Secretaries of a part at least of the work in the sessions of the Legislature."

Mr. Spence said that the Reform Act provided for the appointment of Parliamentary Secretaries in order that non-officials might be associated with the inner working of the Government and might thus get the administrative training of the Government. If the House did not go with him, it would be laying itself open to the charge of not being prepared to work the Reforms. Of course, the members chosen would have to pay a little price for the training they would get, because, as in England, they would have to vote always with the Government. He was sure that no one who was really anxious to know how to run the Government would grudge the price. In fact those who were to be appointed as Parliamentary Secretaries would have after better opportunity to serve their country after learning their work.

Sir William Vincent explained the Government's attitude. He said that the appointment of Council Secretaries was purely a matter for His Excellency the Viceroy to decide. His Excellency had asked him to say that he (Viceroy) would give his most careful and sympathetic consideration to the Assembly's recommendations. The Home Member, however, emphasised the fact that the Viceroy had the discretion either to reject or to accept the resolution. The Home Member said that he wanted to put before the House in a fair way the advantages and disadvantages of the proposal. In the first place, the position of the Parliamentary Under-Secretaries in England and India was not analogous, because of the fundamental difference in the constitution of the Government of the two countries. The suggestion for such appointments was first made in the Mont-ford Scheme. It was later on incorporated in the Reform Act. The advantages of the Council Secretaries were fully explained by the Secretary of State in one of his despatches. Firstly, it would have a great educative value by giving the non-official members who would be chosen as Secretaries considerable experience of administration which would be useful in future years. The speaker considered this of very great importance. Secondly, these Secretaries would give great relief to the overworked Government members; and thirdly, the appointments would necessarily bring them into closer touch with the non-official element of the House. He said that these were also difficulties of a very serious character which would arise from these posts. The experiment of these appointments was being tried with more or less success in the Provinces, but the position in the Central Government was quite different. The first essential was that the



Secretaries shall have to vote always with the Government. For instance, if Mr. Ginwala was appointed Council Secretary attached to the Army Department, he might object before the Government to military expenditure, but once the Government of India decided upon the Army estimates, then Mr. Ginwala, however much against his opinion, would have to support it. If a member in such case differed from the Government and as a result wanted to resign, then the position would be difficult, because this member would have got an insight into the confidential affairs of the Government. There was also another serious point. Suppose a senior member of the Government became Council Secretary attached to the Home Department: there was, for instance, the question of the arrest of Mr. Gandhi at issue. Suppose again, while the Home Member wanted to arrest Mr. Gandhi, the Council Secretary did not. The latter would then go to the Viceroy, and suppose he converted His Excellency to his view. Then the position of the Executive Member would be difficult indeed, because the Council Secretary would then be like a super-Member. Moreover, how would the elected member who became the Secretary reconcile his responsibility to his constituency, to loyalty to the Government in whose service he would be. However, his personal view was that this difficulty might be obviated by the member chosen becoming a nominated member in place of an elected member, if he thought his constituency did not agree to his new position; these members could not be taken as Council Secretaries as suggested by a previous speaker, because in fair justice to them it must be made their worth while to take up the job which would require attendance for a considerable portion of the year, if they wanted to get a real training in the difficult work of administration. He left the matter to the Assembly to decide one way or the other.

Sir Sivaswamy Iyer thought that the disadvantages outweighed the advantages of adopting their resolution, and from his personal experience he doubted whether the Council Secretaries would be able to influence the administration in the decisions to be arrived at. Where a system of irremovable Executive prevailed, where the party system had yet to grow, it was not worth while for any budding politician who cared for his future career to subordinate his private convictions and to undertake to be the mouthpiece and champion of the collective decision of the Government. Though the resolution was quite welcome, it was in his opinion premature.

Mr. Ginwala observed that the Government had already twenty automatons, and the adoption of this resolution would only add six more to that number. He denied that Council Secretaries would get administrative experience, and remarked that demoralisation would set in the non-official benches, the moment Council



Secretaries were appointed. If they wanted Council Secretaries, let them have them from person outside the Assembly. On the whole, Mr. Spence's resolution would rather prove to be a great disservice than otherwise.

Mr. Spence pressed his resolution. Sir William Vincent briefly replied to the debate, and announced that only officials outside the Government benches would vote. The resolution was put and lost, thirty-eight voting against and twenty-four for it.

#### **The Adjournment Motion**

Mr. Agnihotri moved the adjournment of the House in order to discuss the action of the Deputy Commissioner of Delhi in prohibiting a public open air meeting which was to have been held on the 23rd March and which was convened by prominent gentlemen of Delhi along with 22 recognisable members of the Indian Legislature to consider the Khilafat question in relation to the Paris Conference and the Government of India's representation, dated 28th February, to the Secretary of State for India and to make representations to the British delegates to Paris.

Mr. Agnihotri, in support of his motion, read out the correspondence that passed between the Deputy Commissioner of Delhi and the Hon. Syed Raza Ali on the proposal to hold the open air meeting in Queen's gardens, and pointed out that the signatories included distinguished members of the Legislature, some of whom were Rai Bahadurs and Khan Bahadurs. The question the meeting wanted to consider was the Khilafat which, as the Government of India had stated in their despatch, was of unquestionable importance. The Deputy Commissioner had prohibited the open air meeting on the ground that it was difficult to control and that it might create excitement. People had as much regard for law and order as the Deputy Commissioner, and even when such a responsible member of the Legislature like Mr. Raza Ali came forward undertaking to see to the conduct of the meeting, the Deputy Commissioner refused permission. The action of the Deputy Commissioner was irresponsible and provocative in the extreme, and the speaker hoped that the House would pass a vote of censure on his conduct.

Munshi Ishwar Saran accused the Deputy Commissioner of very grave and very serious indiscretion in not allowing an open air meeting. If the despised Non-Co-operator was feared, he could as well come in a meeting in the Town Hall as in an open air one. Moreover, if Mrs. Annie Besant could address without an untoward event an open meeting and address it with her characteristic force against passive resistance, then what danger of disorder would there



have been for holding of the proposed Khilafat meeting by responsible men? The Deputy Commissioner of Delhi, having raised no objection to a public meeting being held, was unreasonable in not allowing it to be held in open air.

The closure having been applied for and granted, the motion for adjournment which was, in fact, a motion of censure on the Deputy Commissioner, was put and lost by a majority of five, the voting being 29 for and 34 against. The division list on this question shows that about a dozen non-officials, including half the number of Muhammadans, voted with the Government. But the minority consisted of the remaining Muhammadan members and the Democrats who were present in the House in very reduced numbers.

#### The End of the Session.

The President then read the message of the Viceroy proroguing the session of the Assembly, and adjourned the House *sine die*. Disappointment is felt in non official circles that the Viceroy had not been able, as was generally expected, to prorogue the Legislature by a formal speech, which it was thought would refer to the controversial issues engaging public attention.

### Council of State.

DELHI—26TH MARCH 1922.

The Bill repealing the Press Act and another Bill relating to Child Labor were passed to-day in the Council of State which, after nearly two hours sitting, adjourned *sine die* with the reading of the Proclamation by H. E. the Viceroy proroguing this session. The message that His Excellency had given assent to the Indian Finance Act of 1922 was read amidst applause, and Prof. Kale presented the Select Committee's Report on the amendment of Standing Orders of the Council.

#### Repeal of the Press Act.

Mr. O'Donnell, Home Secretary, then moved for the consideration of the Bill to repeal the Indian Press Act, 1910, and the Newspapers Incitement to Offences Act of 1908, and to make certain provisions regarding the liability of Editors of newspapers and to facilitate the registration of printers and publishers and to provide for the seizure and disposal of documents of a seditious character as passed by the Legislative Assembly.

On the motion of Mr. Lindsay, the House agreed to the third reading of the Bill regulating the employment of child labor in ports in British India, as passed by the Legislative Assembly.



## The Imperial Legislature

SEPTEMBER SESSION—1922

The September session of the Legislature was opened by the Viceroy, Lord Reading, on the 5th September at Simla. In a long speech reviewing the situation, both internal and external, political and otherwise, he once more made clear the scope of the Reforms. He avoided the word "experiment" used by the Premier, Mr. Lloyd George, sometime back, which had upset India, but put the question plainly before the House so that no false hopes regarding the Reforms might be raised. The policy of His Majesty's Government, he said, was that laid down in the Declaration of 1917. He said :—

"That policy remains unchanged and if any shadow of doubt upon this subject lingered in the minds of any one, it should be removed by the statement the Prime Minister recently authorised me to make and which I communicated to the deputation that waited upon me a short time ago. Almost from the first moment of my arrival I observed that an agitation was proceeding with a view to obtaining an immediate extension of power given under the new constitution which had then been but a few months in operation. As time progressed I learnt that there was an element of doubt and even suspicion regarding the intentions of His Majesty's Government to fulfil the promises they had made. It seemed difficult to understand that doubt should be entertained regarding the promises solemnly made and deliberately expressed in formal documents. I have searched for grounds for these doubts and suspicions and have failed to find any reasonable basis for them. There is no promise that has been broken, there is no pledge that has been violated, either by His Majesty's Government or my government. Within the short period that has elapsed both His Majesty's Government and the Government of India have acted in accordance with the promises and pledges given. Why then is there this doubt? I cannot but think that there is a natural desire of India for progress."

"Attention has been too much concentrated upon the promises to India, while perhaps insufficient regard has been paid to the language both of the declaration and the preamble to the statute. It is there stated that the goal is the increasing association of Indians in every branch of the administration and the gradual development of self-governing institutions with a view to the progressive realisation of responsible Government within the empire. The advance is to be by stages. The time and manner to advance are to be judged by the British Parliament. Their judgment is to depend on the co-operation of the people of India and the develop-



ment of their sense of responsibility. This is the foundation upon which the future progress of India is to be built. The eventual completion of the structure will take place when the British Parliament is satisfied respecting the essential consideration above stated. I am putting the position very plainly to you. I feel it is right that I should. India's future progress depends, both as to time and manner of the advance, upon the good-will of the British Parliament."

After exhorting his audience to fight non-co-operation and help Govt. to establish 'Law and Order', His Excellency concluded his speech.

## The Council of State

*SIMLA—6TH SEPTEMBER 1922*

The first sitting of the autumn session was held on 6th September.

Mr. Sethna moved a resolution urging that in view of the serious financial condition of India and consequent necessity for retrenchment in expenditure, the number of members of the Governor's Executive Council should in no province exceed two and that every Governor of a Governor's province should be advised not to appoint more than two Ministers to administer transferred subjects.

Mr. O'Donnell, the Home Secretary, replying on behalf of Government referred first to the case of Bihar and Orissa and after reminding the Council of the discussion that had taken place in the Bihar Legislative Council on the subject pointed out that the question had been referred to the Secretary of State as regards the three Presidencies. The Home Secretary explained the enormous increase of work and the more complicated nature of the machinery brought about by the Reforms and amidst laughter stated that in one of the presidencies alone at one of its legislative session there were no less than two thousand questions and four hundred resolutions! The Government of India, however, felt keenly the need for retrenchment and economy and they had recently addressed the Local Governments on the question of the number of the Executive Councillors and when the opinion of all the Local Governments had not been received they would forward them to the Secretary of State with their own opinion thereon.

Regarding the number of Ministers, Mr. O'Donnell explained their constitutional position. The salaries of Ministers were votable by the Local Council and so it was the local legislature which was to voice its wishes as to the number of Ministers required. If there were at present three Ministers in each of the three



Presidencies it must be presumed that the Legislative Councils there considered that number to be necessary. Of course, it was open at any time for the Legislative Councils of those Presidencies to revise their opinion on the subject, but that decision rested with the local Councils.

Mr. Sethna briefly replied to the debate and withdrew the resolution in view of the satisfactory statement that the question of the number of Executive Councillors would be referred to the Secretary of State.

#### Indian Labourers

Sir Ahmed Thambi Maricair then moved for a committee of officials and non-officials with an official majority to enquire into the conditions of life and complaints of Indian labourers working in India, both industrial and agricultural, in respect of wages earned, indebtedness, work, housing accommodation, sanitation, medical treatment, educational facilities for children and the age of working children. This was soon withdrawn.

### The Legislative Assembly

SIMLA—6TH SEPTEMBER 1922

Soon after the President had taken his seat he referred in moving terms to the loss suffered not only by the Assembly but by public life of India in the death of Sir Vithaldas Thackersay. The House sent a message of sympathy to the berieved family.

Sir William Vincent presented the Select Committee's Report on the Bill to provide penalty for spreading dissatisfaction among the police or for kindred offences.

Dr. Gour, Munshi Ishwar Saran, Bhai Man Singh and Mr. Hussanally, members of the Select Committee, each appended separate dissentient notes maintaining that the measure was not needed and that its provisions were drastic.

The House agreed to a Joint Committee on the Cantonments (House Accommodation) Act and Select Committee on two Bills, one amending the Criminal Tribes Act and the other assimilating the law in British India relating to official secrets to the law in force in the United Kingdom.

Sir William Vincent introduced a Bill amending section of the Court Fees Act, 1870, so as to provide for a levy of Court Fees on appeal from the judgments of one or more Judges of the High Court other than judgments passed in exercise of ordinary original civil jurisdiction.

The Home Member introduced a Bill amending the Parsi Marriage and Divorce Act, 1865.



Sir Malcolm Hailey introduced a Bill amending the Negotiable Instruments Act with a view to following the English Bills of Exchange (Crossed Cheque) Act of 1906 in order to extend protection to collecting bankers in cases where they credit their customers' account with the amount of a cheque before receiving payment of it.

Mr. Innes introduced a Bill relating to consolidating and amending the law relating to steam boilers in India.

Sir William Vincent introduced a Bill amending the Official Trustees Act and Administrator General's Act.

A Bill was introduced to remove restrictions imposed on the transfer of ships registered in British India.

## The Council of State.

*SIMLA—7TH SEPTEMBER 1922.*

### The Premier's Speech

On the 7th the galleries of the Council of State were unusually overcrowded by visitors, both European and Indian, including some members of the Legislative Assembly when the interesting debate was initiated by Prof. Kale on the speech of Mr. Lloyd George in the House of Commons. The attendance of members was fair and Sir William Vincent, the Home Member, was present to reply on behalf of Government. Prof. Kale moved his resolution urging the Governor General-in-Council to convey to the Secretary of State for India and through him to the Government of His Imperial Majesty an expression of the keen sense of apprehension and disappointment created in the public mind in India by the pronouncement of the Prime Minister in the House of Commons regarding the present situation and the political future of this country. He referred to the argument of some that the utterance of the Premier ought not to be taken seriously, but his reason for protesting against the speech was not that he had any quarrel with certain phrases and expression used by the Premier but the policy underlying those phrases and expressions. He acknowledged the transparent sincerity of the Viceroy when he conveyed the assurance of the Premier that there was no going back upon the Reforms. He acknowledged also the deep sympathy of the Viceroy and the attitude of the Government of India in dealing with questions that had arisen out of the Premier's speech. But in all these explanations and the assurances there was one important factor which had not been satisfactorily dealt with, that is, the policy underlying the speech of the Premier. In the opinion of the mover the Prime Minister by his speech had ranged himself on the side of those who were known to be the opponents of the Reform



Scheme. He had laid the axe at its root and he had practically thrown a challenge to India. Mr. Kale had no objection to the Premier's use of the word "experiment" for the Reforms, but he certainly took exception to the use of the word "trust" when accompanied by the observation that "this trust would be transmitted for generations to come." It was difficult to understand a trust which would never be handed over to the persons entitled to the property. The time has come, and if I understand the spirit of the Reforms correctly, I say the Reforms are intended to fit Indians and when they are fit this trust will be transferred to them, said Mr. Kale, and yet we are told by the Premier that this is an obligation and trust which will be transmitted to the descendants in generations to come. The Premier had also stated that the "success of the experiment would succeed or fail as the Moderates or the non-co-operators enter the Councils at the next election." If the Reforms fail it will, in my opinion, fail as much on account of the Non-co-operation of the people in England and of the members of the Civil Service in India as on account of want of co-operation on the part of some Indians. Prof. Kale then summarised the speech of the Premier as he understood it and after criticising the "steel frame" argument remarked that the utterance of Mr. Lloyd George proved that he did not contemplate the transfer of power to the people of India at any time, not even in the distant future. Therefore it was that Mr. Lloyd George had laid the axe at the root of the Reforms. "It is futile for Indians to expect Reforms, real Reforms."—this is what the Premier's speech amounted to. Mr. Kale referred to the agitation of the European section in India to misrepresent Indian sentiment and advised the House to combat that agitation. In conclusion he said:—I cannot reconcile the assurance conveyed by the Viceroy with the statements made by the Premier in the House of Commons and I ask for support of the House.

Mr. Sethna in an eloquent speech supported Mr. Kale's resolution. He said that the sensation caused by the Premier's ill-conceived utterance was so tremendous and the issues involved so great that it would be a serious dereliction of duty on the part of the Legislature if it failed to voice the public feeling and sentiment on the subject. The assurance of the Premier was nothing less than an after-thought, although he had nodded assent to Sir Donald Maclean's convenient question. "We are glad," said Mr. Sethna, "that so far as the Government of India and the Viceroy are concerned there is a determination to work the Reforms but it is speeches like Mr. Lloyd George's that give them a distinct set back."

Sir William Vincent, the Home Member, in urging the mover to withdraw the resolution said that he realised that the Prime Minis-



ter's speech when first published in this country occasioned great misgivings in the minds of some. Since then two notable events had occurred. India had the assurance of the Viceroy as to the meaning and intention of the Premier in making that speech and a solemn speech had been delivered by the Viceroy on the opening day of the session. He congratulated the speakers except one on the moderation of their speeches. If there was one thing essential for the future of the country it was the good will of the British people and the sympathy, the help and assistance of His Majesty's Government. The very basis of the reformed constitution depended on that good-will and any intemperate speech would tend to mar that good feeling and could not but have a mischievous effect. The Premier's speech was not a threat as some people thought but a warning to a party hostile to Government. Many members of that party had openly stated that they would sever the tie between Great Britain and India. In these circumstances, was the speech of the Premier uncalled for? The mischievous non-co-operation movement had gone on for two years leading to violence and serious outbreaks requiring the use of His Majesty's troops. In one part of the country they heard of a Moplah Kingdom, in another of a Sikh Raj and in a third the cry of separation from the Empire. There had been systematic attempts at the loyalty of the troops, endeavours to boycott all British trade, the promotion of racial hostility and lastly there was the despicable game of insulting the Heir to the Throne, and that despicable game was played in spite of the great forbearance and patience of the Government of India and in the face of the gravest warning from His Excellency the Viceroy as to its probable effects on the British mind. Considering the paucity of the electors at the last election and the wrecking of meetings held under the presidency of Moderates, the Non-Co-operators must have a very considerable following and if those people now came into the Councils they would destroy the Reforms and make the administration impossible. When they in India had been alarmed at this, how much more would have been the alarm of the people of England? "I am not afraid," he said, "of any extremists entering the Councils, but no Prime Minister who is the guiding spirit in the British Empire could safely disregard them considering the difficulty which would be created in the administration. I have said repeatedly and I say it again that the greatest enemy of political progress, industrial progress and, in fact, of every progress in this country is Mr. Gandhi. The prospect, however, is more promising than it was sometime ago. I believe that the non-co-operation party has lost much power and that their influence is waning. I believe it is due to the return of sanity. At the same time an important factor has been the enforce-



ment of law and order to protect citizens in the exercise of their normal rights. I am sure Government will continue to receive the support of this Council." The Home Member pointed out the words that had been used by His Majesty in giving assent to the Act. The word 'trust' was also used by Mr. Montagu. To say that it was a trust was no negation of responsible Government. What was responsible Government?

Sirdar Jogendra Singh : You cannot define it. It is Swaraj.

Sir William Vincent : I say responsible Government is Government responsible to the elected representatives. That is the only form of government that I can recognise.

The Home Member acknowledged the tribute paid to the work of the British members of the Civil Service and stated that the question of the British services would solve itself with the growth of responsible government in India. He said, "If you once gave the assurance that you are going to have responsible government then everything else must follow as a matter of course. The development of self-governing institutions is the declared goal and the tendency must be for the Services to adjust themselves more and more to the new and altered conditions. But I say that the continued assistance of the British Service will be necessary in the working of the reformed constitution, otherwise there will be disorder. Do you want to abolish the recruitment of European Officers?"

Mr. Samaldas : No. No.

Mr. Sethna : No one has said so.

The Home Member assured the House that there was no going back upon the solemn promise made. Seldom had there been time when the assistance of Great Britain was more needed than at present. British capital was essential for the development of industrial enterprise! The assistance of Britain was the very foundation upon which their whole commercial and industrial prosperity was based! The assistance of British officers was necessary for the good government, peace and tranquillity of the land! Lastly the protection of the British Army was essential for the very existence of the country. "I ask you not to antagonise His Majesty's Government and the people of Great Britain. It is not the proper and wiser course for this Council to make renewed efforts to prove the wisdom and capacity of the people of this country, to show that India is worthy of the great trust and to justify the hopes that have been expressed by those who have the welfare of this country at heart. The success of the Legislature, this Chamber and the other, has been admitted. Mistakes, I dare say, have been committed by the Government, as well as by the Legislatures. They are inevitable. But it speaks volumes for the character of these Chambers



that there has been mutual co-operation and patience. Is it wise then to abandon that proper course and take a step which cannot but have mischievous results and lead to increased bitterness in England? Is it fair to weigh every word of the Premier's speech so meticulously as if they are in a statute? Why do you say that the statements of the Premier in his speech were sincere while the assurance that he has conveyed is not? The Declaration of August 20th is there and there is no going back. I hope this Chamber will realise that and not to anything hurtful to the good interests of this country."

Sirdar Jogendra Singh moved an amendment for the addition to the resolution of the words "that this Council affirms India's determination to attain Swaraj and to declare that the reformed constitution is the law of the land and not an experiment as the Prime Minister seemed to imply." He said that the Prime Ministers' speeches might come and go but the King's words will remain. That not only India wants England but England wants India. My amendment, he said, only affirms our determination to attain Swaraj.

Mr. Raza Ali in supporting the resolution referred to Sir William Vincent's condemnation of Mr. Gandhi and remarked that it was not fair to him to have done so without at the same time mentioning a word about Sir Michael O'Dwyer and Lord Sydenham. Alluding to the observations of the Home Member about the attempts of non co operators to mar the Prince of Wales' visit, he said that the Government of India or rather the Home Member was responsible for having arranged the visit to take place at a time when it was inadvisable. A great improvement had, however, taken place in the political situation since March last, and the Government of India ought to have informed the Premier and Parliament that as there was no possibility of any untoward event taking place in India it was highly undesirable to make a speech like what Mr. Lloyd George had done. Mr. Raza Ali complained on the point of British Civil Service being in perpetual rule which India so keenly resented and protested that no authoritative statement had been made in responsible quarters.

Sir Dinshaw Wacha said that everybody admitted that the Premier had made a mistake. Every great statesman had made mistakes. Then why all this unnecessary hubbub. "The sooner", he said, "we forgot this small incident the better. Of course, in a matter of this kind, you cannot repress a young nationality which feels alarmed. But no Prime Minister can go out of the Act which is placed on the Statute Book or alter the spirit of that Act. The Viceroy has made it very clear. I make my modest appeal to the mover of the resolution: "Rest, perturbed spirit, rest."



Mr. Kale refused to withdraw his resolution. He said that if the Prime Minister had made a mistake concerning India, it was the duty of that Council to point that out and give an expression of its opinion. There was a conflict in the Premier's speech between the interests of the Reforms and the interests of the Civil Service, and yet no satisfactory explanation had been given to the House. Certain questions of salaries, etc., about the Civil Service might come up soon as a result of the Premier's speech and it was therefore the psychological moment for this House to give expression to its views on the Premier's speech and voice the feelings of the country.

Sir William Vincent made a short reply, after which the resolution was put to vote and, strange to say, was found lost.

## The Legislative Assembly

SIMLA—7TH SEPTEMBER 1922

### Electoral Rules

Mr. Ujjagar Singh Bedi moved a resolution urging that electoral rules for Central and Provincial Legislatures be so amended as not to require the presence of voters of land holders' constituencies at the police stations at the time of voting. The resolution received general support at the hands of the House. Dr. Sapru accepted it on behalf of the Government.

### The Railway Act

Maulvi Mian Asadullah, addressing in Urdu, moved his resolution urging that the Railways Act be so revised as to give India full benefit of State ownership of Indian railways as is done in other countries where railways are owned and managed by the State. At the instance of Mr. Innes the resolution was adjourned to the November session for debate,

### Third-Class Ry. Passengers

Mr. M. M. Joshi, Labour member, moved a long resolution proposing to improve travelling facilities for third-class railway passengers by increasing the number of third-class coaches, providing sitting accommodation, improving sanitary accommodation, enlarging waiting rooms, instituting better method of issuing tickets, appointing special superintendents in charge of third-class passengers, providing restaurants in trains, etc. The resolution asked the Railway Board to consider and report on these and other suggestions. The resolution was put and carried by a majority in the face of government opposition.

### Restrictions on Wheat Export

Sardar Gujjan Singh moved a resolution urging the removal forthwith of the restrictions imposed on the export of wheat and



food-grains, pulses and oilseeds. He professed to speak in the interests of the dumb millions of zemindars who were being injured by the continuance of an embargo hitherto unknown in the history of India. The restriction, he said, was discouraging production and making the peasants discontented and poor. The real principle ought to be plentiful food and not cheap food, and the consumers should not be selfish and injure the interests of the producers who constituted the overwhelming majority.

Mr. H. Vishindas moved an amendment asking that the embargo be removed at an early date rather than forthwith as proposed. The resolution as amended was then carried.

### SIMLA—8TH SEPTEMBER 1922

#### Guru-ka-bagh.

After questions, Bhai Mansingh moved for an adjournment of the House to consider the situation at Guru-ka-bagh in Amritsar.

Sir William Vincent objected to discussion for two reasons, first that the matter was provincial and secondly, that certain cases arising out of the situation were now "subjudice". He, however, promised to make a full statement about the situation after ascertaining facts from the Punjab Government. The President ruled the motion out of order in view of the subject being "sub-judice."

#### Mr. Agnihotri's Resolution on the Premier's Speech

Then came the most important motion of the session. Mr. Agnihotri moved his resolution requesting the Prime Minister and the Secretary of State for India to make a special declaration ratifying the Declaration of August 1917 and repudiating the statement made by Mr. Lloyd George on August 4th 1922 characterising the Reforms as an experiment, and also to take necessary steps for an early grant of full Dominion Self-Government to this country. He quoted extensively from literature on Reforms to show that the Reforms were not an experiment to be scrapped at will. They were a definite stage towards a definite goal. The Premier's speech, he said, had unsettled settled Reforms. While Lord Chelmsford in opening the first session of the newly constituted Indian Legislature had emphasised that autocracy was abandoned, the British Premier had so late in the day told them that he wanted the perpetuation of a system whereunder the words of Civil Servants was command and their sentence a decree, and Indians were asked to co-operate to perpetuate this rule. Could the Premier, he asked, lay down these principles for the rule of the Dominions with whom India was said to be on equal footing? He did not for a moment suggest the removal of all Europeans in the



services. They would be needed for some time to come, but India wanted to keep them on her own terms and at her own will. No outside authority should thrust them upon her. Moreover, if the existing governing caste was to keep all its functions intact then India could not get Swaraj because every corresponding step towards responsible Government would mean corresponding loss to civilians of their existing supreme functions. In conclusion, Mr. Agnihotri said that the Viceroy's two recent utterances had not allayed anxieties which could be eased only by His Majesty's Government.

Mr. Subrahmanyam opposed the resolution. In his opinion it was no better than resolutions and speeches made at public meetings or opinions expressed in the press. There was no legal or constitutional authority in the resolution to force the Prime Minister to retract the statement he had made. Time and again it was the good offices of statesmen like Mr. Lloyd George that had helped Indians to make progress. It was no good irritating them because India thereby would lose the support which she had always got from them. Moreover, in the last resort could any subordinate head go against the chief's words? Was it consistent with discipline and therefore was it likely that a request like that mentioned in the resolution would ever be complied with? Did not the Assembly know that in a discussion like the present one the Government of India had no option but to defend to support and to substantiate what the Prime Minister had said? For all practical purposes the nods and assents of the Premier were quite enough (loud ironical cheers). Further, a speech like that of the Premier could not wipe out the solemn declaration of His Majesty. Furthermore the speech, made by the Viceroy to the deputation, which contained the assurance of the Premier was more emphatic, more legal and more constitutional than what was claimed and asked for in the resolution. The constitution which we have, he said, is one not evolved by us but given to us. It is a conditional gift. What is the good, then of quarrelling with the statements of the Premier? Of course, it was a wrong assumption on the part of Mr. Lloyd George to think that the legislatures in the country who are elected bodies are going to make a dead set against the Reforms but it is one of those inexactitudes of which politicians are always guilty. The other inexactitude of his was the argument that the British have rescued India from anarchy. But for the reasons I have mentioned I oppose the resolution.

Mr. Darcy Lindsay thought that whatever justification there might have been for the apprehensions roused by the Premier's speech there was no ground for them after the thorough and clear



pronouncement made by the Viceroy. The resolution, if passed, would be a tactical error and would alienate the sympathy of those in England who were now ready to help India onward. Amidst laughter the speaker quoted from a speech made by Mr. Jamnadas Dwarkadas last September on the resolution asking for the grant of autonomy in which the Bombay member had himself described the reforms as "a unique experiment." (A voice :—"Yes, dyarchy is an experiment.") The question of the services, said Mr. Lindsay, could be said to be unique in itself. He urged the mover to withdraw his resolution and close an unsavoury incident.

Dr. Gour expressed his readiness to accept the Viceroy's assurance that there was to be no going back upon the policy of the Reforms but his objection to the other parts of the Premier's speech remained.

Sir William Vincent made a long reply on behalf on the Government the purport and main arguments of which were the same as those put forward by him day before in the Council of State on a similar resolution. The Home Member deprecated the language used in reference to that great leader of men, the Premier of Great Britain and said, to refer to him in that way was ungrateful on the part of the Assembly which owed its existence to his Government. He emphasised that the speech, however worded, did not conflict with the solemn Declaration and maintained that all doubts should have been removed by the message transmitted by the Premier through the Viceroy. If the resolution as worded was passed it would place Government in an unconstitutional position as it would be asked to communicate to the Home Government a vote of censure passed on it. He impressed on the House if Self-Government could come only by force or through the British Parliament. If it was to be attained through the latter means they could not afford to alienate the sympathies of the British people, but the resolution, if carried, would make the position worse at a time when there was great need for efforts to counteract the bad effect created on the British public as a result of recent events in India. Was it fair, he asked, that the Premier who had paid such compliments to the Assembly should be condemned by them in return? The Home Member examined at length the portions of the speech to which chief objection had been taken. He maintained that the Reforms were as a matter of fact an experiment and that the Premier was merely repeating the provisions of the law in saying that obstructive tactics on the part of the non-co-operators would make them reconsider the whole situation. That was true. He asked the House whether if the non-co-operators refused all grants and proposed to obstruct Government in every possible way the whole



situation would not have to be reconsidered. The speaker, however, did not believe that such a state of things would come about. He had great faith in the future of the country and believed that future Assemblies would maintain the traditions of the present House and that the non-co-operators would not be returned in large numbers.

Coming to the Premier's reference to the Civil Service the Home Member made a conjecture that the Prime Minister had in his mind the collapse of Russia and Austria. With his wide experience of European affairs he realised the disastrous effect in Russia of the break in the constitution by the removal of the executive machinery. The Premier seemed to him to be contemplating guarding India against such an abrupt collapse as it had been the fate of Russia to suffer. Otherwise the policy of Indianisation stood where it was. Sir William added: "I want to make one point quite clear, that His Majesty's Government's decision to retain a substantial element of the British Civil Service was not intended to conflict with the policy of the increasing association of Indians in that service nor will it do so. The "steel frame" consists of steel made in England as well as in India, but it will have to be of approved capacity." The Home Member referred to the O'Donnell circular and declared that the Government of India did not therein commit itself to any decision. In fact, a decision on the subject solely concerned the Home Government.

Sir William asked the House to consider seriously whether it was ready to contemplate the effect of the withdrawal of all British assistance. As for the demand for the grant of immediate responsible government he seriously asked whether India was ready for it. Had she her own Army and her own Navy? Had she an educated electorate? Did the masses understand constitutional government? Had they any sense of civil responsibility like the people in other Dominions? Were there not races, languages and other barriers still to be surmounted? Democratic Government was government by the majority. Did the minorities in India contemplate the effect of government in India where the will of the majority would be the law of the land? Was it evolution or stampede that was intended? He asked the Assembly to reject the resolution on the ground that India at the present stage of her development was not ready for that great change.

Referring again to the speech of the Premier, Sir William said that the Premier had the good of India at heart in encouraging the right kind of recruits to enter her Civil Service to fill that proportion which was still reserved for British recruits. In conclusion the Home Member warned the Assembly against jeopardising its own interests



at the present critical juncture by antagonising feeling in Great Britain on the one hand and by encouraging the non co-operating movement in the country. By passing the resolution they would be injuring the welfare of the country in both ways.

Mr. Rangachari moved his amendment that in place of Mr. Agnihotri's resolution the following be substituted :—“This Assembly recommends to the Governor-General in Council that he may be pleased to convey the message from the Assembly to His Majesty's Government through the Secretary of State for India that it views with grave concern the pronouncement made by His Majesty's Prime Minister in the House of Commons on the 2nd August 1922, and it considers that the tenour of the whole speech and the sentiments therein are subversive of the declarations made by His Majesty and His Majesty's responsible Ministers and that it is calculated to destroy the faith of this Assembly and of the people of this country in the good intentions of the British Nation both in the matter of attaining “Swaraj” and of the Indianisation of services.

Sir Malcolm Hailey felt that, in the matter of questioning the good faith of the Premier and attacking him, the resolution and the amendment, were substantially the same. He repeated that British good-will alone could grant further reforms. He had returned from England only a few days previously and he could speak with special knowledge of the feeling in India. What he found there was that almost all sections of English opinion were taking great interest in India and that among all sections very great apprehensions had been caused by the recent course of affairs in India. The activities of the non-co operators especially with regard to the visit of the Prince of Wales had aroused the feeling in Britain that India was giving way to an anarchical policy and they considered that the state of things in India was not sound. When such was the existing feeling in England would the Assembly gain friends there by attacks on Mr. Lloyd George? In home politics they might talk in whatever strain they like about themselves but the British people would resent an outside attack on such a great leader as Mr. Lloyd George who held a unique position in Europe. The purpose of the House in expressing dissatisfaction over the general tenure of the Premier's speech had been served and it would be of no use to express it in the form of a resolution. The Finance Member informed the House that the British people had at present, despite their apprehensions, good will towards India whom they would be glad to grant the benefits of a system evolved by themselves. The resolution, if passed, would do no good because there was nothing definite aimed at, but it might conceivably do much harm. He left the House to choose which way it liked.



Sir Montagu Webb briefly endorsed the views of the Finance Member and remarked that it was absurd and impossible to expect the Premier to retract the statements he had made in the Commons. Having expressed its feelings the House must, in order to reserve its dignity, not press the resolution.

Mr. Aguihotri in a brief reply said he accepted Mr. Rangachariar's amendment.

Sir William Vincent in winding up the debate repeated that the resolution, if passed, would do no good. He concluded that it would merely amount to this that they were biting the hand that fed them.

#### *Resolution Adopted.*

The House divided at a quarter to six and adopted the amended resolution by 48 votes to 34. The result was received with loud non-official cheers.

The resolution adopted reads as follows :—"This Assembly recommends to the Governor-General-in-Council that he may be pleased to convey a message from this Assembly to His Majesty's Government through the Secretary of State for India that it views with grave concern the pronouncement made by His Majesty's Prime Minister in the House of Commons on the 2nd of August 1922 and that it considers that the tenour of the whole speech and the sentiments therein are subversive of the declarations made by His Majesty and His Majesty's responsible Ministers and that it is calculated to create serious apprehensions in the minds of 'his Assembly and of the people of this country both in the matter of attaining Swaraj and of the Indianisation of its services."

#### *SIML 4—11TH SEPTEMBER 1922.*

##### *Guru-Ka-Bagh Affair.*

After questions Bhai Mansingh moved an adjournment of the House to discuss the treatment meted out by the police to the Akalis near Guru-ka-Bagh. The mover laid stress to the fact that his motion of to-day differed from his previous motion in as much as he has refrained from making any reference to the cases now "sub-judice" which arose out of the Guru-ka-Bagh affair.

Sir Malcolm Hailey objected to the motion for two reasons, firstly, because it referred to a provincial subject and secondly, because the question of the treatment by the police could not be discussed without touching the broad question now "sub-judice", whether it was lawful for a certain number of people to oust a Mahant. The police was merely doing their ordinary duty of protecting property in the legitimate possession of a Mahant,



The President disallowed the motion for adjournment.

Mr. Innes, Commerce Member, moved that this Assembly recommends to the Governor General in Council that beyond forwarding a copy to Local Governments and Administration for any action which they may consider desirable, no action need be taken on the recommendation concerning the application of the weekly rest day in the commercial establishments adopted by the General Conference of International Labour Organisation of the League of Nations convened at Geneva on October 25th 1921. Mr. Innes explained that this resolution referred only to commercial undertakings and not industrial undertakings. He said the Local Governments had been consulted and a majority of them protested against an All-India legislation on the subject as being in advance of the time. It would not also be practicable and advisable to have a uniform legislation for all India.

The Commerce member moved his second resolution asking that no action be taken on the recommendation concerning limitation of hours of work in inland navigation adopted by the General Conference of International Labour Organisation of the League of Nations convened at Genoa on the 15th day of June 1920. Mr. Innes said that, in view of obvious difficulties, action could not be taken to carry out this recommendation which proposed eight-hour day on ships, and in this respect India was not alone. Great Britain, Spain, Italy and other European countries had not also adopted the recommendation. The workers on inland navigation were on totally different footing from those in factories. The former were not constantly on active work, but were kept for emergencies and their work was uncertain.

Mr. Joshi unsuccessfully moved for an adjournment of the debate on this resolution till Government had obtained the opinion of the employers and employees' organisations concerned.

Mr. Innes' resolution was finally adopted.

Mr. Innes next moved his third and last resolution which asked for the ratification of the draft convention (1) fixing the minimum age for the admission of young persons to employment as trimmers and stokers and (2) concerning compulsory medical examination of children and young persons employed at sea. He said that the resolution merely confirmed the existing practice.

Mr. Joshi protested that the labour organisation on the recommendation of the Government of India and Japan fixed the minimum age for young persons to be employed as trimmers or stokers in these two countries at sixteen years while in the case of western countries the minimum age was fixed at 18.



## Indian Forest Service

Mr. Hullah moved his resolution recommending the recruitment to the Indian Forest Service by the selection in England and India of recruits who have already undergone a preliminary education in forestry followed by instruction as recommended by the Inter-Departmental Committee on the Imperial Forestry Education in their report of February 1921. Mr. Hullah drew attention of the House to the unique position of India in possessing her forests which had enormous potentialities for commercial, industrial, and agricultural development of the country. In the last 45 years the income from the forests had mounted up from fifteen lakhs to two and-a-quarter crores. It was therefore obvious that the question of the training of officers for this service was of supreme importance. He regretted that in the past, in spite of the fact that there was no bar to the admission of capable Indians, very few of them had shown the inclination to join the Forest Service. Government was now doing its best to stimulate Indian recruitment.

Mr. K. C. Neogy proposed to amend the resolution so as to make the House agree to the Secretary of State's scheme of raising Dehra Dun to the requisite standard of efficiency in order that it may not be necessary to send to England for the preliminary training and that all recruits for the Indian Forest Service should be trained at Dehra Dun as soon as necessary arrangements recommended in that behalf by the Public Service Commission in 1918 could be made and that pending such arrangements the present method of recruitment might continue. Mr. Neogy also advocated for speedy Indianisation of the service.

Mr. Subrahmanyam favoured Mr. Neogy's amendment provided it be amended so as to urge for early steps to be taken for pushing the Dehra Dun Scheme through.

Mr. J. Dwarkadas also supported Mr. Neogy and moved an amendment that the Dehra Dun Scheme be adopted with necessary modifications as to the conditions of training which might be considered essential.

Mr. Neogy accepted both these amendments to his proposal.

After a short discussion, government opposing, the following resolution as amended by Mr. Neogy was carried. "This Assembly recommends to the Governor-General-in-Council that all recruits for the All-India Forest Service should be trained at Dehra Dun as soon as necessary arrangements recommended in that behalf by the Public Services Commission in 1918 can be made, and that, pending such arrangements with necessary modifications as to the conditions of training which the Assembly recommends be taken up at a very early date, the present method of recruitment should continue."



## The Council of State.

SIMLA—11TH SEPTEMBER 1922

## Colony Returned Indians.

The day was devoted to non-official business. Sir Maneckjee Dadabhoi moved that steps be taken immediately in consultation and co-operation with philanthropic and religious bodies, for the re-admission into society of Colony returned Indians where possible and for the creation of one more settlement for the benefit of such of them as are not so admitted. The resolution was withdrawn on Govt. assuring that they would suggest to local Govts. schemes of colonisation which was really a provincial subject.

## Post and Telegraph Departments

Mr. Kale moved that in view of the repeated complaints regarding the allocation to the Telegraph Department of the revenues earned by the Postal combined offices on telegraphic messages transmitted through those office, and in view of the differential treatment accorded to the postal and telegraph services, (1) the revenue and expenditure accounts for the postal combined offices in relation to the above messages and those of the departmental telegraph offices be separately maintained and shown and the profits that may accrue as a result of this arrangement in the accounts of the Postal combined offices be credited to the Post office, and (2) that such profits may be utilised for the improvement of post offices and of the conditions, pays and prospects of the postal employees.

After a short discussion the Council was adjourned before this item was finished.

## The Legislative Assembly

SIMLA—12TH SEPTEMBER 1922

## Land Acquisition Act.

On this day non official business was taken up. Mr. J. R. Pantulu did not move his motion for referring his Bill to amend the Land Acquisition Act to a Select Committee in view of the fact that Mr. Sarma informed the House that Government intended to bring forward a comprehensive measure on the subject which would also embrace the object advocated by Mr. Pantulu's Bill. Mr. Pantulu however reserved to himself the right of bringing forward again his motion if he was not satisfied with the action of the Government.



**Distinction between Barristers and Vakils.**

Mr. G. L. Agarwala moved for a Select Committee on his Bill which advocated extension of privilege of appearing without a Vakalatnama or power of attorney to all legal practitioners of the High Courts and Chief Courts.

The Home Member opposed the motion as the opinions of all the High Courts and Local Governments had not yet been received.

Mr. Seshagiri Iyer and Mr. Iswar Saran extended their support to Mr. Agarwala's motion which proposed to remove the invidious distinction between Barristers and Vakils but urged that the consideration of the Bill be postponed. Mr. Agarwala thereupon withdrew his motion for a Select Committee on his Bill.

**Dr. Gour's Marriage Bill.**

Dr. Gour brought in his motion to refer to a Select Committee the Bill to amend Act 3 of 1872 relating to Civil Marriage. The debate on this motion was lively, and while the orthodox Hindu and Mahomedan members strongly opposed it as laying the axe at the root of religion, the supporters of the measure emphasised its permissive character ensuring the liberty of conscience. There was a strong tie between both these sections which however resulted in success to Dr. Gour whose motion was carried by a majority of one vote amidst loud applause of the supporters, thus agreeing to refer the Bill to a Select Committee.

Dr. Gour moved that his Bill providing for compulsory registration of all adoptions be referred to a Select Committee. He announced his intention of restricting the scope of his bill in view of judicial opinions received.

Dr. Sapru, while declaring that the attitude of the Government was neutral, informed the House that the opinion of experienced Hindu Judges was very widely divided. The bill as drafted would raise great difficulties in the cases of death-bed adoptions in rural areas. Several Hindu members opposed the motion.

Dr. Gour realised the strength of the objections and withdrew his bill with a view to redraft it and re submit it later on.

**Hindu Law Inheritance**

Mr. Seshagiri Iyer moved for referring to a Select Committee his Bill providing that no person governed by Hindu Law should be excluded from inheritance by reason of disease, deformity, physical or mental defect. The motion was however adjourned till the November session in Delhi in order to allow members to study various expert opinions received. The Home Member pointed out that it was entirely for the Hindu community to decide whether it would have piece-meal amendments of Hindu Law or otherwise,



## Indian Contract Act.

Dr. Gour moved for a Select Committee on his bill amending the Indian Contract Act so as to suppress gambling in litigation by holding as void agreements by way of maintenance and champerty.

Sir William Vincent admitted that in certain parts of the country the evil of champerty existed and that it required checking. He said that Dr. Gour's bill would not at all achieve the object desired. The Government would however try to see if it could find reasonable means to suppress the evil. He opposed Dr. Gour's bill which when put to vote was rejected by the House.

## Married Women's Property Act.

The House agreed without discussion to Mr. Kamat's motion for a Select Committee on his bill which proposed to amend the Married Women's Property Act with a view to provide that an insurance policy carried out by a Hindu, Muhammadan, Buddhist, Sikh or an husband for his wife or wife and children or for either of them should benefit those for whom it was mentioned and not form part of estate of the deceased as had been held by the Bombay High Court.

Sir William Vincent announced that the Bill had received universal support at the hands of local Governments.

## Illegitimate Son's Inheritance.

Mr. M. K. Reddi introduced his bill which proposed to amend the Hindu Law of succession so as to provide that in case of Sudras as well, illegitimate sons should not inherit property of the putative father.

Mr. Reddi said that Sudras had advanced socially and their marriage ties were now almost as rigorous as in the cases of other castes of Hindus and they should therefore bring all four castes of Hindus on equal footing.

## The Legal Practitioner's Act

Mr. Neogy was allowed to introduce his bill to amend the Legal Practitioner's Act. This bill enabled vakils to practice in all matters in the original side of High Court where at present only Barristers and Advocates are allowed to appear.

SIMLA—13TH SEPTEMBER 1922

## The Electoral Rules

Sir William Vincent moved his resolution for a committee to examine and report on the amendments which were desirable in the electoral rules relating to the Council of State, Legislative Assembly and Provincial Legislative Councils. Apart from questions



affecting the franchise and constituencies of the various chambers the Home Member explained that the electoral rules were framed in great expedition and the experience of working them had shown some defects. The rules were an experiment of a novel character in many ways in this country and they required re-examination. For instance, among other things, the committee might consider that in order to avoid bogus candidates standing up for election, each member who wished to stand should be required to deposit some amount of money. The Government of India had consulted the local Governments and Mr. Hammond, possessing expert knowledge about election work, was on special duty in this connection. Government hoped that the labours of this Committee would result in the necessary amendments before the next general election which must be held at the latest by January 1924.

Sir William Vincent next moved asking the Assembly to agree to the election of panels of members for the Standing Committees to be attached to the four departments of the Government of India. The panels in cases of the Home and Education departments will consist of 6 members and in Commerce and Industry and Revenue and Agricultural Departments of 9 members. Out of each panel three members will be nominated, the other two members being nominated from the Council of State for each Standing Committee consisting of five. Sir William Vincent said that the Viceroy had taken great interest in the question of appointment of such Committees which the speaker was informed were doing very useful work in Bengal. He warned the members that the Committees would require sacrifice of a good deal of time of those who were nominated to them. He hoped that the proposed change would be of great educative and informative value to the members to the House.

#### *Mr. Ginwala's Opposition*

Mr. Ginwala struck a discordant note. He thought the proposed method of election by a single transferable vote was most objectionable, because, on account of provincial and communal considerations, none of the really competent men would be able to get into these panels. This was, he said, of course a condemnation both of the system of election and of the commonsense of the House. What he would have preferred was that Sir William Vincent with his wide knowledge of capacities of all members should have selected only those men who he considered the best able and who would benefit by the opportunities offered. He particularly emphasised that questions affecting his Province of Burma should not be referred to Standing Committees as neither the Government of India nor any member of the House had any knowledge of Burma. He would not stand for



election to these committees as he would not be able to spare the necessary time.

*SIMLA—14TH SEPTEMBER 1922*

On the 14th. the Legislative Assembly discussed one of the burning questions of the day, relating to Provincial contributions to the Central Exchequer, which had been agitating the minds of certain provinces, particularly that of Madras. The original resolution on the subject and the 14 amendments to it showed that while the general consensus of opinion was in favour of re-opening the Meston settlement, they differed greatly as to the method and details to be adopted to achieve the purpose. On the floor of the House, below the Secretary's table, lay a heap of monster petitions, said to be signed by about 75,000 voters for the Assembly in Madras, showing the intensity of feeling in that province in favour of reduction of the contribution. Soon after the President took his seat Mr. M. K. Reddi Guru formally presented this pile of petitions to the President.

**Provincial Contributions**

Bakshi Sohan Lal proposed to move his resolution on provincial contributions not in original form, but by changing it so as to incorporate some of the amendments. Sir M. Hailey objected to this being done and also asked for a ruling of the chair as to whether certain amendments were in order because they went beyond the scope of the original motion which asked only for a redaction in the contribution, while some of the amendments asked the whole question being examined by a Royal Commission with a view to a more satisfactory allocation of revenues.

The President held that the amendments were within the scope of the subject raised though not within the precise terms of the resolution. The President asked Mr. Sohan Lal to move his original resolution. Mr. Sohan Lal therefore moved recommending that the present total provincial contributions to the Central Exchequer be reduced by two crores of rupees, the benefit of such reduction being immediately given to the provinces of Madras, the United Provinces and the Punjab.

Sir Malcolm Hailey, opposing the resolution, said that provincial patriotism was so strong that each one wanted to have a share for his own province from the expected proceeds from central revenues. He said the members who were fighting for a share out of the two crores were like a crowd of depositors, each one trying to get what he could first from a bank whose affairs were



getting out of order. "But I ask this House, is it not first and foremost a custodian of the central finances whose duty it is to see that this particular institution is not going before the world as a bankrupt;" "What were," he asked, "the hard facts? The Meston Committee proposed a settlement under which it was estimated that the spending power of provinces would increase by 18 half crores. Of this surplus, the Central Government was to have 9 one-fourth crores leaving the balance to the provinces for development in connection with the reforms. In the case of Madras, the fact remained that its population was smaller than that of Bengal and the United Provinces and its revenues larger than those two provinces. Moreover, Madras, the United Provinces and the Punjab benefitted more by increase in the spending power under the settlement than any other province. That was why these three provinces had to pay a greater percentage to meet the estimated central deficit. But the Government of India had promised relief as soon as possible and Madras would have prior relief in proportion to its contribution. This was not a mere promise, but one which the Government was consistently endeavouring to fulfil at the earliest opportunity. The next trouble was that the Meston settlement had broken down both in case of Central and Provincial Governments for causes which were common to both administrations, *i. e.*, the general rise in price and consequent increases in pay and allowances of establishments. The situation was deplorable. The Central Government had been facing huge deficits for the last four years. Even in the current year, due to Waziristan and other factors, deficit might be considerably higher than nine crores. The Central Revenues had thus suffered in greater proportion than the provincial revenues, but even if relief was to be given to the provinces the crux of the question was wherefrom was the money, the two crores, to come. Mr. Rangachariar had told them to raise a loan. He wished it was realised by the member from Madras what effect on trade, commerce and general conditions of the country resulted from the raising of continuous heavy loans. Loans would also bring about the inevitable inflation in paper currency. There was, however, another consideration. They could not give benefit to certain provinces without injuring the interest of other provinces. The Finance Member concluded: "This is a resolution which the Govt. cannot accept until the House provides it with necessary funds by additional taxation or by any other means. I believe it is in the mind of the Hon'ble Member who put forward this resolution and those who supported it that the Govt. cannot accept it. Not only that, it will be criminal on its part to accept it, but that it was never possible even for an instance for the Govt. to accept it. I leave it to the House,



I ask them to realise their position not merely as provincial representatives but as guardians of the central finances. I ask them to reject the resolution which will favour certain provinces by injuring others."

Mr. Jamnadas Dwarkadas moved an amendment to the resolution to the effect that the provincial contributions as fixed at present under the Devolution Rules having been found unworkable in the case of many provinces, immediate steps should be taken to examine through a Royal Commission, or any other impartial agency, the financial relations between the Central and Provincial Governments as now laid down in the devolution rules with a view to a more satisfactory allocation of revenues.

Dr. Gour opposed the motion of Mr. Jamnadas and supported the original motion. In his opinion, the question before the House was not so much a fight between some provinces and the Government of India as between the Assembly and the Government of India. Sir Malcolm Hailey had said that this Assembly was the custodian of the public purse, but were they the custodians of the public purse? He thought they were like the monkeys which drew chestnuts out of the fire (Laughter.) Every year the Finance Member came and asked for the Government of India's ever-growing deficits to be made good by additional taxation, but when this Assembly asked for accounts, then it was told that it was none of its business and that its only business was to find the money. The Finance Member had said that if this resolution was accepted there would be a further inflation of paper currency. Who was responsible for the inflation? Only the Finance Member; and when this Assembly after complaining that the Government of India were burning the candle at both ends and suggested a Retrenchment Committee, that suggestion was opposed tooth and nail. But when it was carried, the Government of India or rather the Finance Member appointed a committee of outsiders. Was the Assembly satisfied with the constitution of that committee. (Cries of No.) Dr. Gour said: "Then Sir, the Finance Member asks us to show where to find two crores. I say in national economy. I say, vacate your place and give place to us and we shall run the Government of India and we shall be able to balance our revenue and expenditure. (Non-official cheers.) But to expect us to find the money over the expense of which we have no control is an unconstitutional position in which the Government of India finds itself to-day, and what sympathy can they get from the representatives of the people? I say confidently, 'none'." Dr. Gour criticised the sinking of money in Waziristan and the fact that the Government was going to spend three lakhs and thirty thousand rupees in the cold weather transfer of troops. He opposed the amendment of Mr Jam-



nadas Dwarkadas and said that by accepting it they would be only following into a death trap, especially at a time when the deficit of the Central Government was so great and there was every prospect of its becoming still greater next year. A Royal Commission would neither benefit the one that gave nor the one that took. The real crux of the question was that the Government of India must set their house in order.

Sir Malcolm Hailey, winding up the debate, spoke at great length holding that the task before the Royal Commission would be impossible because financial re-allocation could not be examined without administrative re-allocation and if it was re-examined he was sure that the result would be harmful to the provinces rather than useful. The provinces may have to make good the Central Government's deficit perhaps to the extent of 20 crores, rather than nine as at present. He was afraid that the Meston Committee had been over-sanguine about the Central Revenues. Moreover, the world finances were in such a state that Government could not lay before the Royal Commission their minimum requirement with any finality or confidence. They had still to explore avenues for retrenchment and not even the wisest man in the House could say what course exchange would take in future. The Royal Commission would thus be sitting on an impossible task. The Meston Committee only recommended a temporary settlement, but if a re-allocation of funds was wanted which would give provinces their income-tax, then money must come from either taxation or loans or other provinces must make it good. As to the question whether the income-tax be a central or provincial head of revenue, he said that from administrative and other points of view, income-tax could only be a source of central revenue and the proposal of dividing its proceeds by half between provincial and central Governments was not feasible and workable. As for Bombay it had suffered from fall in the revenue exactly as central and other provincial administrations had suffered. As for the original resolutions, the real question was that the provinces wanted more money. Wherefrom was the Central Government with a heavy deficit to find that money? It was for the House to decide.

The amendment of Mr. Jamnadas Dwarkadas for Royal Commission was put and lost by 63 votes to 27. The original resolution for reduction of two crores was next put and also lost by 48 votes to 38.

#### *SIMLA—15TH SEPTEMBER 1922.*

##### **Workmen's Compensation.**

On the Assembly meeting on the 15th, on the motion of Mr. Innes the House agreed to commit to a Joint Committee of two



Chambers the Bill to consolidate and amend the Law relating to Steam Boilers in India. The object of this bill was to secure uniformity throughout India in all technical matters connected with boiler regulations, standards of constructions, maximum pressure etc., and to insist on the registration and regular inspection of all boilers throughout India.

Mr. Innes introduced his Bill to define the liability of employers in certain cases of suits for damages brought against them by workmen and to provide for payment by certain classes of employers to their workmen compensation for injury by accident. The House agreed to commit the Bill to a Joint Committee of the two Houses consisting of 22 members.

#### The Indian Mines Act

Mr. Innes introduced his Bill amending and consolidating the law relating to the regulation and inspection of mines. Mr. Innes said that the Bill was a most difficult and contentious measure. Its most important amendments were those defining the respective functions of Central and local Governments, modifications of the definition of a mine so as to make it include excavation for minerals, regardless of depths, raising the age of a child from 12 to 13, prohibiting employment and presence of children below ground, restricting hours of labour to 60 hours per week for above ground and 64 for below ground workers, and prescribing a weekly day of rest. Penalties were also increased for disobedience of orders resulting in death or serious injury to workers.

#### The Police Bill

Sir William Vincent moved that the report of the Select Committee on the Bill to provide penalty for spreading disaffection among the police and kindred offences be taken into consideration. He said that the Bill was introduced in Delhi and referred to a Select Committee. Thus the House committed itself to the principle underlying the Bill. He was, therefore, surprised to find from the amendment list that some members wanted to circulate it for public opinion. The Bill, as altered by the Committee, made it clear that bonafide attempts made in a lawful manner to secure the resignation of policemen were not penalised and bonafide activities of police associations which were being recognised in almost all provinces by the Government were excepted from the provisions of the act. The measure was protective and not punitive. In the past systematic and persistent attempts had been made to intimidate, socially boycott, and spread disaffection among the police. At one time this danger was serious. The local Governments had unanimously supported the Bill. The present law was ineffective in as much as its operation



would delay the punishment of offenders until mischief had been done. Moreover, even the democratic Government of Great Britain had found it necessary to enact a similar law for the protection of police from seditious attempts. The police force had in the past been severely strained and it was up to the Assembly to give them special protection in the discharge of their duties. He believed it would be no use circulating the Bill which had already been before the public for 9 months during which no serious protest had been received. He urged the members to be frank and either openly throw out the measure or accept it. He did consider the Bill was a perfectly sound and salutary measure required at this juncture. The Assembly must either support or reject his Bill.

Mr. Agnihotri strongly opposed the Bill as being vague, dangerous and reactionary, and it would be to the detriment of the public to further empower the police which had used its present powers in a most high-handed manner. Men crying "Bande Matram" and "Gandhi ki-Jai" were thought to be spreading disaffection. In one village in his part of the country the police had been enraged because certain boys had the boldness to cry "Gandhi-ki-jai" when the Superintendent of Police was passing them in his motor car.

Dr. Gour said that substantial alteration were made in the Bill under the pressure of the Select Committee.

Sir William Vincent :—What about the pressure of the House ?

Dr. Gour :—That will be felt very soon. (Laughter)

Dr. Gour said that his main objection was that the existing laws was sufficient to meet the mischief in any case. In test it was not found wanting. Everyone agreed that police loyalty must not be unduly tampered with. But where was the judicial opinion showing that section 29 of Police Act read with sections 107 and 108 of I.P.C. had failed ? He thought that in warning the House against the consequence of its refusal to accept the Bill, Sir William Vincent was emulating his former achievements. Introducing the Rowlatt Bill, the Home Member had talked about the disastrous consequences and sacrifice of law and order if the Rowlatt Bill was not accepted. The House was thus getting accustomed to these warnings of the Home Member. Dr. Gour felt that the analogy between England and India could not hold good. The English Law, similar to the Bill under discussion, was enacted by the People's Parliament and there were sufficient checks against its abuse. He was afraid that when their rights were proposed to be curtailed they were cited the example of Great Britain, but when they wanted the extension of their liberties the example of Great Britain was discarded. Dr. Gour moved his amendment for circulation of the Bill for eliciting public opinion which, he said, had not yet been ascertained.



The amendment of Dr. Gour for circulation was rejected by 44 against 41. The House then discussed the Bill clause by clause and altered substantially the important clause No. 3.

With the approval of the Government, on the motion of Sir Devaprasad Sarbadhikari the House added at the end of Clause 3 explanations two and three of Sections 124-A, I. P. C. in order to define disaffection.

On the motion of Mr. Agnibotri the penalty under this Bill was reduced from two years to six months. The Government strongly opposed this, the Home Member pointing out that the maximum of two years in serious cases was heavy.

Mr. Rangachari suggested that really serious cases of disaffection could be dealt with under Section 124-A, I. P. C. When the amendment for reduction in the period of sentences was pressed to a division it was carried by a majority of one, voting being 39 against 38.

Mr. Bhargava moved that the proposed fine be reduced from one thousand to two hundred rupees. This change was also carried by 44 against 37.

**Clause 3, before and after.**

Clause three, as it emerged from the Select Committee read :—

“Whoever intentionally causes, or attempts to cause or does any act which he knows is likely to cause disaffection amongst the members of a Police Force, or induces or attempts to induce, or does any act which he knows is likely to induce any members of a Police force to withhold his services, otherwise than in a manner expressly authorised by, or under any law for the time being in force, or to commit a breach of discipline, shall be punished with imprisonment which may extend to two years, or with fine which may extend to one thousand rupees or with both.”

Clause three as finally passed by the Assembly read :—

“Whoever intentionally causes, or attempts to cause, or does any act which he knows is likely to cause disaffection towards His Majesty, or the Government established by law in British India, amongst the members of a Police Force, or induces, or attempts to induce, or does any act which he knows is likely to induce any member of a Police Force to withhold his services, otherwise than in a manner expressly authorised by or under any law for the time being in force, or to commit a breach of discipline shall be punished with imprisonment which may extend to six months, or with fine which may extend to two hundred rupees, or with both.”

Explanation :—Expression of disapprobation of the measures of the Government with a view to obtain their alteration by lawful means or of disapprobation of the administrative or other action of



the Government do not constitute an offence under this section, unless they excite, or are made for the purpose of exciting disaffection.

Objection was taken that clause three of the Bill as drafted did not carry out the instructions of the Select Committee which definitely laid down that bonafide attempts for securing resignation of a police man for bettering his prospects, or otherwise furthering his welfare, should not be penalised.

The Home Member said that the idea of this recommendation was put into a clause but promised to get it examined, and if any further explanation of the language was necessary he would introduce it before it is sent to the Council of State.

Clauses 4 and 5 of the Bill were passed without any change, attempts at amending them having failed.

Mr. Neogy moved that the operation of the Bill be restricted to one year in order to see how it worked during that period leaving it open to the Government to come up again with a view to perpetuate this measure if the House were satisfied then with the necessity therefor.

Sir William Vincent opposed Mr. Neogy's motion because the Government did not consider the measure as an emergency, repressive or special legislation, but as one perfectly harmless and one to which both the people and the Police would look to in ordinary times. The motion of Mr. Neogy was rejected by 42 votes to 36. Sir William Vincent then moved that the Bill as amended be passed.

Dr. Gour took objection to its passage on the ground that this motion need not be taken up the same day it was considered. Mr. Rangachari and Dr. Sarbadhikari pointed out that the Bill was not a perfect measure and that the Home Member himself had admitted that he would get it examined before going to the Council of State. They urged that the dignity of the House required that all imperfections must be removed before the Bill was sent to the Upper Chamber.

The Home Member readily agreed to the suggestion for postponement of further consideration of the Bill with a view to examine whether all the provisions pressed by the House were embodied in the Bill in proper order. The further consideration of the Bill was therefore postponed.

### The Council of State.

*SIMLA—18TH SEPTEMBER 1922*

On the 18th further discussion was taken up on the resolution of Prof. Kale who wanted maintenance of separate accounts for posts and telegraphs in the combined post offices. The resolution



was pressed to a division and lost, 9 voting for and 21 against it, about half a dozen members remaining neutral.

Lala Ramsaran Das moved that the system of monopolies now given to the Government contractor in every district of the Punjab for the sale of salt having proved injurious to the general public should be abolished and the old system for the sale of salt should be adopted. After further discussion Lala Ramsaran Das withdrew his resolution.

#### The Indian Forest Service

Mr. Sethna moved :—“This Council recommends to the Governor General in Council that in view of the fact that India provides in the Forest Research Institute at Dehra Dun a highly efficient and up-to-date institution for instruction in forestry and forest research, the present practice of recruiting a proportion of the probationers for the Indian Forest Service in Great Britain and training all probationers, whether recruited in Great Britain or India, in the Universities of the United Kingdom, be abolished forthwith and that all probationers for the service be recruited and trained in India, and that every such probationer drafted into the service be given all facilities to add to his knowledge and experience by a tour to the Continent of Europe after at least three years of continuous and approved service.”

This resolution was practically the same as the motion of Mr. Neogy which was adopted in the Legislative Assembly on 11th September in preference to Mr. Hullah's proposition that recruitment be by selection in England and India, of recruits who have already undergone a preliminary education in forestry followed by training for one year in England and Europe of all recruits together at a central institution as recommended by the Inter-departmental Committee on Imperial Forestry Education. Mr. Sarma had given notice that this latter proposition of the Revenue Secretary will be moved at this meeting of the Council of State as an amendment to Mr. Sethna's resolution, but as soon as Mr. Sethna had moved his resolution, the President declared the meeting adjourned till next day when further consideration of the resolution of Mr. Sethna will be taken up along with Mr. Sarma's amendment.

In moving the resolution Mr. Sethna generally covered the grounds traversed by Mr. Neogy in the Assembly. He said that his resolution merely recommended the adoption of the previous decision of the Secretary of State which was acceptable to the Government of India and was suggested by the Public Services Commission in the first instance, namely, that all recruits be trained at Dehra Dun. His resolution also suggested that some time after the recruits had



qualified themselves, they be sent to the continental forests, but the proposed amendment of Mr. Sarma was in favour of the recommendation of the Inter departmental Committee. The principal reason which the Government gave in support of their resolution was that the cost to the Government would be less and they would be called upon to pay the expenses for just a period of one year during which the probationers would be working at the Central Institute somewhere in the United Kingdom. The Govt. had not, however, given any definite information as to the cost of the Central Institute and how much India would be required to contribute not only towards the initial cost of such institute but also for its upkeep. In the absence of any definite information it could not be assumed for certain that the cost of this country would be less as suggested by Government, but all things considered it would be cheaper in the long run to spend more money on the Dehra Dun Institute and train recruits in this country, and the Dehra Dun Institute was recognised as one of the best. Further, those who were in a position to pronounce opinion on this question were emphatic in their view that British Forest schools as they existed to-day were inefficient for the purpose of impartial institution in forestry. Efficient theoretical training could surely be given to the probationers at Dehra Dun. Mr. Sethna agreed that by the abolition of the Provincial Forest Service and its amalgamation with the Indian Forest Service into an Indian Service of Forest Officers, a few lakhs of rupees would be saved annually in each of the provinces. But whether this was done or not, he urged that the training of all recruits for the forest service should be in India.

*SIMLA—19TH SEPTEMBER 1922*

On the Council of State assembling on the 19th Mr. Sarma moved his counter proposition on behalf of the Government which was to the effect that recruitment to the Indian Forest Service be by selection in England and India, of recruits who had already undergone a preliminary education in forestry followed by training for one year in England and Europe of all recruits together at a central institute as recommended by the Inter Departmental Committee on Imperial Forestry 1921. This amendment was the same as Mr. Hullah's proposition which was defeated in the Legislative Assembly on the 11th September. The difference between Mr. Sethna's motion and Mr. Sarma's amendment is that while the former wanted that all recruits both Indian and British to the Indian Forestry Service be trained in India and be allowed to supplement their knowledge after at least three years approved service by a tour in the continent, the latter urged that the recruitment be both in



England and India, those recruits trained in England supplementing their knowledge in the continental forests. Mr. Sarma in urging his proposition on behalf of the Government made a lengthy speech. He was glad to note that the intelligentsia in this country were realising the necessity of developing the potential resources of forest. They must approach the question from a commercial stand-point rather than from the stand-point of appointing recruits from one class of people or any other.

Sardar Jogendra Singh opposed it because he was entirely unconvinced by the speech of Mr. Sarma which was in the name of a special pleading. The question of training in forestry at Dehra Dun was started about seven years ago and even Government had not come to a decision in favour of a well-equipped institute at that place. By accepting the amendment of Mr. Sarma this House would only be further postponing the matter. Moreover, the study of sericulture which had been emphasised by Mr. Sarma was provided for in the resolution of Mr. Sethna that every probationer be given all facilities to add to his knowledge and experience by a tour in the continent of Europe after three years of approved service in India.

Mr. Samaldas moved an amendment to Mr. Sarma's amendment. The effect of it was that recruitment to the Indian Forest Service be for the present by selection in England and India of recruits who have already undergone a preliminary education in forestry followed by training for one year in England and Europe of all recruits together at a central institution provided the final goal to be kept in view would be that complete training in forestry be given in this country at an institute where there should be full scope for research work.

Mr. Kale characterised this amendment as a diluted motion and strongly opposed it. The amendment of Mr. Samaldas was then put and lost.

The Revenue Member assured the House that training in Dehra Dun would be the best possible and pointed out that Mr. Sethna's proposition would only delay the realisation of Indian hopes. The amendment of Mr. Sarma was put and declared lost and on his claiming division it was found that 16 voted against the amendment and 15 for it, the non-official section of the House greeting the announcement of the result with applause. The resolution of Mr. Sethna was then put and carried.

#### Slaughter of Cows.

Mr. Sukhbir Sinha moved :— "This Council recommends to the Governor-General-in-Council that in order to improve the breed and number of milch and agricultural cattle a commission be appointed to



make enquiries in every province, take evidence, collect facts and figures and report as to the following points among others : the number and condition of milch cattle, slaughter of cattle for food, slaughter of cattle for Muhammadan religious purposes, slaughter of cattle for British soldiers, whether beef can be imported from outside India if required for British troops. the conditions of grazing lands, the condition of fodder, how the number and breed of cattle can be improved."

The motion was opposed by Sir Umar Hayat Khan and Mr. Rangaswami Ayyangar, the latter on the ground that at a time when Muhammadans themselves were slowly abstaining from cow-killing the Council should not force upon the Government a resolution which would do more harm than good.

On Mr. Sarma assuring the House that the Government was keen in the matter and were doing everything possible in the desired direction, Mr. Sukhbir Singh withdrew his resolution.

#### Inland Navigation

On the motion of Mr. Lindsay the following three resolutions adopted in the Legislative Assembly were carried :—“(1) That the Council of State recommends to the Governor-General-in-Council that no action be taken on the recommendation concerning the limitation of hours of work in inland navigation adopted by the Central Conference of the International Labour Organisation of the League of Nations convened at Geneva on the 15th day of June 1920. (2) That the Council of State recommends to the Governor-General-in-Council that he should ratify the draft conventions adopted by the General Conference of the International Labour Organisation of the League of Nations convened at Geneva on the 25th day of October 1921 fixing the minimum age for the admission of young persons to employment as trimmers to stockers and concerning the compulsory medical examination of children and young persons employed at sea. (3) This Council recommends to the Governor-General-in-Council that beyond forwarding a copy to local Governments and administrations for any action which they may consider desirable, no action need be taken on the recommendation concerning the application of the weekly rest day in commercial establishments adopted by the general conference of the International Labour Organisation of the League of Nations convened at Geneva on the 25th October 1921.”

#### SIMLA—20TH SEPTEMBER 1922

##### Political Prisoners

After a few questions had been answered, Mr. Lalubhai Samaldas moved that political prisoners who are not convicted of



violence to person or of destruction of property or of incitement thereto should be treated as first class misdemeanants as in England.

In urging the motion for the acceptance of the House, Mr. Samaldas referred to the public feeling in the matter, which he said, ought to be assuaged by giving the political prisoners lenient and kind treatment. In the Bombay Council when a resolution was brought on this question, the Home Member then stated that the treatment would be more humane and that there would be no reason for complaint. It was further stated that instructions were being issued to Local Governments by the Government of India. That was the reason for the mover's bringing in the question before the Central Legislature. Mr. Samaldas referred to several cases of hardship to which the political prisoners had been subjected and remarked that the object of the punishment meted out to the prisoners must be reform and not retribution. He specially referred to several cases of whipping of political prisoners in the enlightened province of Bengal and remarked that it was a pity that such a form of punishment, resorted to only in serious cases like mutiny, and against which the jail committee has made specific recommendation, had been inflicted in the name of law and order, thereby making martyrs of the prisoners.

Mr. O'Donnell, the Home Secretary, replied on behalf of the Government explaining what had been done by the Government. He welcomed this resolution because it gave the Government an opportunity of removing the misapprehensions that had been sedulously fostered by the non-co-operation party, who carried on an insidious campaign of calumny on this subject with the result that false statements and false rumours and false reports had appeared in the press. Mr. O'Donnell referred to the discussion in the Bombay Legislative Council where, on behalf of the Government, the Home Member had given special denial of the allegations and malicious and stupid statements made about the treatment of political prisoners and said that, although the non-co-operators were insidious in their attack on Government with regard to the treatment of political prisoners, they were generally silent about the conduct of the prisoners in jail. There were many prisoners who had been guilty of serious offences against jail discipline and it was a well-known fact that there had been recently several cases of jail outbreaks. There had been during the last two years a movement tampering with the loyalty of the troops and for subverting the constitutional Government. If such an offence had been committed in England no person would be treated as a first class misdemeanant.

Mr. Raza Ali :—What about Irish political prisoners?

Mr. O'Donnell :—“I am coming to that, Sir. I have seen it



repeatedly stated that in every country in the world, except in India, all people convicted of political offences are treated as first class misdemeanants. I have not seen the evidence in support of this allegation. If the statements that are appearing in the Press are correct there have been very serious sentences of political prisoners in the United Kingdom. I know something about Ireland and you can take it from me that none of the Sinn Fein prisoners had received treatment in the first division. The special rules and instructions issued by the Government of India do not differ from the special rules issued in the case of Sinn Feiners at a time when three fourths of the population there were in passive or active rebellion. I say that the instructions issued by the Government of India to local Governments will not compare unfavourably with the rules in Ireland."

Mr. O'Donnell referred to the privileges to the prisoners and said that those selected for special treatment could get their own beds, could have their own dress, and would be supplied with newspapers. As regards the privilege of getting their own beds, the Punjab Government believe that as the people of that province were warlike and virile, there was every possibility that beds would be broken and used as weapons to fight against each other, thereby impairing the jail discipline. Regarding the supply of newspapers Mr. O'Donnell emphasised that this was the practice till some time ago in a number of jails, but as it had led to unfortunate results, such as serious outbreak in the Lahore jail, it had to be restricted to certain exceptional cases. The privilege of writing letters and receiving them was also extended in special and urgent cases. No menial duties would be given to prisoners and handcuffing would not be imposed on those who behaved well. Flogging in jail would be resorted to only in the last resort and that too under the orders of the Local Government.

Mr. Raza Ali moved an amendment by way of addition to the resolution. It was to the effect that enquiries should at once be made into the condition of political prisoners in the North-west Frontier Province. His main contention was that there were Legislative Councils in all the Provinces in India to agitate on behalf of the political prisoners, but there was no such Council in the Frontier Province, and it was therefore necessary that their condition should be enquired into. The difficulties of the political prisoners in the Frontier Province were in regard to food, clothing and solitary confinement. If the treatment meted out to political prisoners in U. P. were to be followed in other Provinces then the lot of these prisoners would be much happier. What should be done was that there should be separate jails for political prisoners. Mr. Raza Ali believed that the list of concessions announced by Mr. O'Donnell would assuage



public feelings to some extent, but these concessions were hedged in by so many conditions, that the whole thing looked like giving with one hand and taking away with the other. Mr. Raza Ali asked the House to pay the highest compliment to Sir Umar Hyat Khan, by ignoring his speech completely.

Mr. O'Donnell assured the House that all the rules and instructions issued by the Government of India would be applicable to the Frontier Province as well, and these rules and instructions were now under the consideration of the Chief Commissioner of that Province. The amendment of Mr. Raza Ali was put and lost. When he claimed division the President declared that it was an entirely frivolous claim.

Mr. O'Donnell in winding up the debate emphasised that whipping would be given under the orders of the Local Government which meant that the opinions of Indian members of the Governor's Executive Council would be taken beforehand. It was impracticable to have separate jails for political prisoners and it was equally impossible that any jail authority would agree to the proposition that non-officials should be consulted before whipping order was given. In conclusion Mr. O'Donnell explained the list of concessions and said that there was everything in them to show that leniency would be reasonably shown to the prisoners.

The resolution of Mr. Samaldas was then withdrawn. On the motion of Mr. Kale, supported by Mr. Moncrieff Smith, some amendments to standing orders as suggested by the Select Committee were carried.

#### *SIMLA—23RD SEPTEMBER 1922*

After question time Mr. Lindsay, Commerce Secretary, moved the Council to agree to the Assembly's recommendation that the Bill to consolidate and amend the Law relating to the Regulation and Inspection of Mines be referred to a Joint Committee of both the Houses, consisting of 18 members. The Council agreed to the motion.

#### **The Police Bill.**

Mr. O'Donnell, Home Secretary, in moving for the consideration of the Bill providing safeguards against spreading disaffection among the Police and kindred offences, said that it was notorious that there had been attempts to spread disaffection. It might be that they were now not of the same vigour as they were a few months ago. Attempts were at that time made on a very serious scale, in some cases very successfully, and it was a matter for gratitude that despite such attempts the loyalty of the vast



majority of the public had remained unimpaired (Applause.) But even now the propaganda had not ceased and there was no guarantee that the attempts would not be renewed with increased vigour in the future. For this, there must be effective remedy. The present law, that is, Section 124 of I.P.C. (sedition) read with Section 29 of the Police Act had proved entirely ineffective. The Bill was based on the English Law, but differed from it that certain safeguards not to be found in the English Law had been embodied in it and provision had been made for the penalty of six months simple imprisonment instead of two years.

Mr. Reza Ali failed to see any justification for Government bringing in the Bill. The onus of proof lay on the Government. They must also explain the necessity for the measure, but they had not attempted to make a statement explaining in how many cases prosecutions were launched for the offence of spreading the pernicious doctrines among the Police and in how many of them the present law proved ineffective.

Mr. O'Donnell read out extracts from the report of local Government showing how some policemen had succumbed to the influence of propaganda carried on amongst them. Prosecution under Section 124 A was in the nature of a State trial and involved great delay which ought to be avoided. A more prompt remedy was therefore called for. It was difficult under the present law to prove the abetment of offence, because the propaganda was carried on secretly and the penalty under the existing law was only three months, whereas the offence required greater punishment. For these reasons, Mr. O'Donnell urged that the Bill should be taken into consideration. The motion was put and carried.

The amendments to the Bill were then taken up for discussion. The amendments of Mr. Khaparde were the same as those brought forward by the Home Secretary in fulfilment of the promise given by Sir William Vincent in the Legislative Assembly. The discussion on the amendments lasted nearly two hours. All the non-official amendments were lost while those moved by Mr. O'Donnell were accepted without much discussion.

### Clause 3.

Mr. Raza Ali wanted deletion from Clause 3 of the words, "Whoever does any act which he knows is likely to cause disaffection towards His Majesty or the Government established by law in British India amongst the members of a Police force or induces or attempts to induce or does any act which he knows is likely to induce." The contention of Mr. Raza Ali was that the object of the Government could be better achieved by amending



the ordinary law Section 124 instead of bringing it in connection with the Police Bill.

Mr. O'Donnell objected to the proposal which was put and rejected.

#### **Trust the District Magistrate**

Mr. Raza Ali also attempted to change the Bill in respect of Clause (3) by asking for deletion of words relating to attempt to induce Police to commit breach of discipline.

Sir Leslie Miller thought that the expression was too vague. Mr. Moncrieff Smith asked the House to trust the District Magistrate without whose sanction any proceedings would not be launched under this Act. The amendment of Mr. Reza Ali was rejected.

#### **Danger to Police Associations.**

Mr. Kale moved an amendment to the effect that instead of the Police association being authorised or recognised by Government, its acts done in good faith under rules or articles of such association as being necessary for exemption under the operation of the Bill the exemption be extended to any Police association which conforms to the rules made by Government in that behalf.

This amendment was also lost.

#### **Official Amendments.**

Mr. O'Donnell's amendments were four in number and they were all carried. Two of them were of a drafting character in order to remove ambiguities, while the others were very important. By these latter two amendments it was provided that no court inferior to that of a Presidency Magistrate or Magistrate of the 1st Class shall try any offence under this Act notwithstanding anything contained in Chapter 23 of the Criminal Procedure Code. No offence under the Act shall be triable summarily. It was further provided that nothing shall be deemed to an offence under this Act which is done in good faith for the purpose of promoting the welfare or interests of any member of police force by including him to withhold his services in any manner authorised by law.

The amendments were accepted by the House.

#### **Amendments in Procedure.**

Mr. Raza Ali made a further attempt to amend Clause 5 relating to trial of offences so that no prosecution should be launched under this Act without the previous sanction of or on the complaint of the member of the Executive Council in charge of police or of the local Government. He based his proposal on the fact that the District



Magistrates in times of local excitement were apt to make very wide use of the section.

Sir Maneckji Dadabhoy opposed the amendment as he thought it was defeating the ends of justice.

Mr. O'Donnell pointed out the necessity for prompt action and emphasised the existence, under the ordinary law, of the right to appeal to the High Court, should the accused feel any injustice.

The amendment was therefore lost.

#### The Bill as Amended.

The Bill as finally amended and passed by the Council of State ran as follows :—“Whoever intentionally causes or attempts to cause or does any act which he knows is likely to cause disaffection towards His Majesty or the Government established by law in British India amongst the members of a police force or induces or attempts to induce or does any act which he knows is likely to induce any member of a police force to withhold his services or to commit breach of discipline shall be punished with imprisonment which may extend to six months or with fine which may extend to two hundred rupees or both.”

Explanation :—[Expressions of disaffection of the measures of the Government with a view to obtain their alteration by lawful means or of disapprobation of the administrative or other actions of the Government do not constitute an offence under this section unless they cause or are made for the purpose of causing or are likely to cause disaffection.]

“Nothing shall be deemed an offence under this Act which is done in good faith for the purpose of promoting the welfare or interests of any member of a police force by inducing him to withhold his services in any manner authorised by law or on behalf of any association formed for the purpose of furthering the interests of the members of a police force as such where the association has been authorised or recognised by the Government and the act done is one under any rules or articles of the association which has been approved by the Government.

“No court shall proceed to the trial of any offence under this Act except with the previous sanction or on the complaint of the District Magistrate or in the case of a Presidency town or the town of Rangoon, or the Commissioner of Police.

“No court inferior to that of a Presidency Magistrate or Magistrate of the First Class shall try offence under this Act notwithstanding anything contained in Chapter 22 of Cr. Pr. Code of 1898.

“No offence under this Act shall be liable to be summarily disposed of.”



The Bill, as passed by the Legislative Assembly and as amended by the Council of State, was then passed.

On the motion of Mr. Cook, the Negotiable Instruments Bill as passed by the Assembly was passed. This measure extends protection to bankers who receive crossed cheques for a customer from having to incur any liability in case the cheque proves defective.

The House then agreed to the passage of three more Bills on the motion of Mr. O'Donnell. These were the Court Fees Act Amendment Bill, the Parsi Marriage and Divorce Bill and the Official Trustees and Administrator Generals Act Amendment Bill as passed by the Legislative Assembly. No discussion took place.

#### *SIMLA—25TH SEPTEMBER 1922*

The Council of State met on the 25th to discuss four non-official resolutions. There were only two questions on the agenda, one of which related to the report of the Fiscal Commission.

The President then read two messages received from Lord Reading, the Governor General. The first stated :—

That as the Legislative Assembly had refused leave to introduce the Bill providing protection to the Princes in Indian States against seditious attacks in the Press in British India, Lord Reading declared in exercise of his powers under sub-section 1 of Section 67 (B) that he had certified the Bill as essential for the interests of British India.

The second message recommended that the Bill be passed in the Council of State in the form in which it had been presented.

The Secretary laid on the table the copy of the Bill whereupon the Hon. Mr. Thompson asked the President for a ruling about the procedure to be followed as to the form of the motion. Sir Alexander Muddiman said that this was the first occasion when a Bill certified under Section 67 (B) of the Government of India Act had been brought before the Council. The section dealt in the first place with Bills which had already been passed by the other Chamber. But leave to introduce the Press Law Bill giving protection to Princes was understood to have been refused. That brought these questions to the second part of the sub-clause which said—"If the Bill has not already been so passed it will be laid before the other Chamber and if consented to by that Chamber in the form recommended by the Governor-General it shall become an Act on the signification of the Governor-General's assent, or, if not so consented to, it shall, on the signature by the Governor-General, become an Act as aforesaid." Thus it was clear that Parliament had intended that in case where a Bill had been refused introduction and certificate had been given by the



Governor-General it should be laid before the other Chamber. The position was entirely analogous to that created by Rule 25, that is, that when a Bill has been laid the motion for consideration might be made. In other words, there was no motion for leave to introduce it. The Bill was merely a certificated Bill and therefore, if it was passed in the form not recommended by the Governor-General, then it could become an Act on the signature of the Governor-General under Sub-Section to Section 62 (1). It was clear that if the Bill was passed into an Act it must be laid before the House of Parliament and any observation made by the Council must inevitably come under the consideration of the Mother of Parliaments.

It was finally announced that the Bill would come up next day in the form of a recommendation of the Governor-General.

[*See poste for proceedings*]

## The Legislative Assembly.

*SIMLA—18-25TH SEPTEMBER 1922.*

### The Police Bill.

On the Assembly meeting on the 18th the adjourned consideration of the Police Disaffection Bill was taken up (see p. 701). Despite non-official opposition and in the face of grave warnings, the Government carried the Bill in its third reading in the Legislative Assembly. Non-official opinion was voiced by Dr. Gour and Mr. Rangachari that the measure was still imperfect in as much as it was not stated therein whether lawful measures taken by any person to secure the resignation of a member of the police force to further the latter's welfare would not be penalised, nor was it provided that cases arising under this Act would not come before any subordinate judiciary but only before a First Class Magistrate as was urged by the non-official portion of the House on the last day. To this Sir William Vincent, anxious to see no obstacle to the passage of his bill, promised to remedy these two defects by himself proposing the desired amendments in the Council of State.

On this assurance the Bill was then passed.

### Cr. Pr. Code Amendment Bill.

Sir William then moved the consideration of the Criminal Procedure Code Amendment Bill as previously passed by the Upper House without much discussion and quite in a hurry. The Bill had 156 Clauses dealing with various sections of a very important nature and aimed at radical alterations of some sections of the Criminal Code. Naturally this indecent haste prompted a strong protest of the non-official members who pointed out that they had not been given



any time to examine the provisions of the Bill. Moreover, eminent lawyers and jurists outside the House had not any opportunity to examine the nature of the Bill and modifications suggested and other defects and drawbacks. The Home Member, however, insisted on behalf of the Government on the bill being taken into consideration on the grounds that it had been in the process of formation for the last 12 years since 1910, that it had been before the public for the last 18 months when it was reintroduced and referred to a Select Committee and that lastly, he and the Law Member who had been interested in the measure would have probably retired by the next Sessions.

The motion for postponement was, however, carried by an overwhelming majority.

The House then sat to elect Standing Committees to be associated with the Home and Commerce and Industries Departments to consist of 6 and 9 members respectively.

At the meeting of the Assembly on the 19th, Dr. Gour obtained leave for introducing his bill to amend the Legal Practitioners Act 1879 so as to remove all doubts as to the eligibility of women to practice at the Bar. The Patna High Court had interpreted the Act by which they had been disqualified, while the Allahabad High Court had held they were entitled for enrolment and had enrolled one lady Vakil. This anomaly had to be removed.

#### Supreme Court for India

Dr. Gour next moved for leave to introduce his bill for the establishment of a Supreme Court in India. With regard to the aims and objects of the bill, Dr. Gour stated that the bill was intended to complete the judicial equipment of India by providing within its borders a Court of ultimate appeal. Such Courts have accompanied the grant of constitutions to the major Colonies of England and they have proved a great success. The Judicial Committee of the Privy Council which in the past discharged the functions of a Supreme Court is not a Court at all and was intended to be merely a makeshift pending the establishment of a regular constituted Court. Its jurisdiction is in Criminal cases negligible, while in Civil cases, appeals to it involve an expense and delay which is at times ruinous to the litigant.

Dr. Sapru raised a point of order and asked the ruling of the chair whether Dr. Gour could move his Bill as Dr. Sapru doubted the jurisdiction of the legislature to establish such a Court. He referred to Section 65 of the Government of India Act to show that the Indian Legislature which was a creature of Parliament could not establish a Supreme Court whose status and scope would



be higher than and thus interfere with the jurisdiction of High Courts established by Act of Parliament.

In reply, Dr. Gour pointed out that the question, as raised by the Law Member, was not one of mere establishment of the Supreme Court, but of a vital constitutional issue involving the rights, privileges and the jurisdiction of the Legislature, and he quoted clause (a) of Section 84 of the Government of India Act that the Legislature was quite competent to do so. He next quoted the rulings of the High Courts and the Privy Council itself to show that it was within the scope of the Legislature to establish courts independent of the jurisdiction of High Courts such as were established under the Defence of India Act even though it might affect the prerogative of the Crown.

As the whole question was one of vital constitutional importance, Dr. Gour suggested to the President that he might take some time to give his ruling after thorough consideration and consultations. Several lawyer members expressed their desire to further elucidate the point, but the president held that it was not necessary to go into legal technicalities and interpretations. He would give his ruling according to the precedent of Canada where, when it was decided to establish such a court, a special Act of Parliament was passed permitting them to do so. As in the case of India also the constitution made no specific provision, he held that it did not intend to rest this power in the Legislature. He therefore ruled Dr. Gour's motion out of order.

#### **Restitution of Conjugal Rights**

Dr. Gour next moved for leave to refer his bill to amend the Civil Procedure Code which dealt with the position of women in cases of restitution of conjugal relations to a Select Committee. Dr. Gour sought to abolish the execution of decrees for restitution of conjugal rights by the imprisonment of the wife if she failed to comply with the order of the Court.

The Government members stood aloof while amongst the non-officials a very keen and interesting debate ensued. Messrs. Rangachariar, Yamin Khan, Kasem, Sahabuddin and J. N. Mukherjee strongly opposed the motion on the ground of orthodoxy. Mr. Rangachariar said that the Indian notion of the conjugal relations stood on a different footing from that prevalent in the West. In this country there was no law of divorce and once a wife she was always a wife. He added that there were very few cases of restitution of conjugal rights and imprisonment was the only method by which a woman can be punished for contempt of the decree of the court,



Rao Bahadur Subrahmanyam, supporting, said that he had heard the talk of the sacredness, morality, chastity, etc. of woman, but not a single word as to the same of the man. It was rather strange that this House should constitute itself as a tribunal over the immorality of woman, while it did not exercise its jurisdiction in the case of man.

Munshi Iswar Saran, a radical reformer though clad in his typical orthodox dress, made an eloquent speech which went home to many members. He said he had been distressed to see how a beneficent proposal of social reform was being turned down by some of those who are out to win liberty for themselves and their country styling themselves as Democrats, Nationalists and what not. He had seen attempts being made to turn down the proposal in the name of religion, which was really no religion but obscurantism, which sanctioned marriages of child girls with grandfatherly husbands of 60, as Rao Bahadur Subramanyam had pointed out. He asked those who had waxed eloquent over the sacredness of Hindu marriage, where was the sanction in the Shastras that when a wife does not wish to live with her husband, she should be imprisoned? "These arguments," Munshi Iswar Saran pathetically remarked, "we have been used to hearing from the Treasury Benches whenever Rao Bahadur Rangachariar and his Democrats urged any measure of political reform, and now we hear it from the mouth of a leader of the Democrats in this matter of social reform that India is not England." The speaker dreaded to think what would happen it under a Swaraj Government the pillars ofodoxy, such as Rao Bahadur Rangachariar, occupied the Treasury Benches. Perhaps every measure of social reform would be turned down as were questions of political reforms by the present Government.

Dr. Gour's motion was finally declared carried by a majority of 16, 39 voting for and 23 against it.

#### The Mopla Train Tragedy

On the Assembly meeting on the 22nd Mr. Sarfraz Hussain Khar moved that suitable action be taken against those officers who are directly or indirectly responsible for the Moplah train tragedy at Podanur and are found guilty of meting out ill-treatment to Moplah women and children during the recent disturbances in Malabar.

He said that justice and humanity demanded that at least adequate compensation should be given to the families of the victims of the tragedy. The Moplahs should be similarly treated as the Punjab victims who had been compensated. He thought Govt. had lightly treated the tragedy and appealed to the House not to be callous to human sufferings and to take suitable action to compensate the families of victims.



Mr. Venkatapathi Razu asked, who was responsible for the tragedy? There must be some and those persons must be punished however high might be their position. Even after three centuries there were some people who complain against the Black Hole of Calcutta although some of the historians condemned it as a myth, and was not the train tragedy, asked the speaker, worse than the Black Hole of Calcutta? If the prisoners who died happened to be Europeans and not Indians, the whole world would have been in a state of thrill and there would have been resignations from several quarters. Only a few days ago they saw in the papers an account of the death of two soldiers from sunstroke while travelling from Karachi and it was stated they were not supplied with electric fans, but here there were deaths of 70 persons for want of air and water and what steps, he asked, had been taken to give relief to their families?

The resolution was, after further discussion, put to vote and rejected by 52 against 32.

#### *The Assembly Secretary*

Mr. Subramanyam moved a resolution urging the institution at a very early date of an establishment consisting of a Secretary and necessary staff of clerks under the President of the Assembly for the purpose of carrying on work in connection with the Assembly. Mr. Subramanyam said that the Assembly would have its own self-contained staff as in the case House of Commons to deal with its business. At present the whole work was done by the Legislative Department of the Government of India. There would be involved no extra cost as the staff required was already there, but it only required to be shifted and put down for the Assembly. When this was done he was sure the House would know who was responsible to it and would therefore expect from him the ordinary courtesy due to its members.

Mr. Ginwala supporting the resolution said that supposing a constitutional question arose in which officials differed from non-officials the House would then look to the Chair for a decision. In such matters the President would expect the Secretary to give his advice. Now if the Secretary was the same person who had given a particular advice in his executive capacity as the Secretary to the Legislative Department, then he could not give any other advice to the President. It was therefore essential that the Secretary of the House should be a person different from the Secretary of the Legislative Department.

Government opposed the motion on the ground of extra expense. Mr. Rangachariar said that in order to meet the Government's



reasonable point of view they should wait till the report of the Inchcape Committee was out. He therefore moved the adjournment of the debate on the resolution which was unanimously agreed to.

#### Cotton Bill

On Sep. 23rd. on the motion of Mr. Innes, the House agreed to refer to a Joint Committee the Bill providing for restriction and control of cotton in order to put a stop to the malpractices of mixing short staple cotton which were exercising a serious and dangerous influence on the cotton industry of India. The Local Governments had been empowered to prevent with the previous consent of the local legislature inferior cotton or cotton waste from being imported except under license into areas which it was desired to protect.

#### Abolition of Transportation

Sir William Vincent next introduced his Bill providing for abolition of transportation in respect of criminal offences. Sir William Vincent, in explaining the Bill, said that it was the outcome of the report of the Jail Committee. Although the Government of India had issued long ago instructions for abolishing transportation, it was not found possible to maintain that order and partial transportation was again ordered in view of overcrowding in Indian Jails. At present there were twelve to fourteen prisoners in the Andamans and all provinces would not be able to take back their prisoners at once.

#### White Slave Traffic

Sir William Vincent next introduced his Bill amending Sections 362 and 360 of the Indian Penal Code thus giving effect to the resolutions adopted by both Houses of the Indian Legislature in last Delhi Session on the question of the suppression of White Slave Traffic.

#### The Press (Princes' Protection) Bill

Then came the most important bill of the Session for consideration. The Home Member asked leave to introduce his Bill to prevent dissemination by means of books, newspapers and other documents of matters calculated to bring into hatred or contempt or to excite disaffection against Princes or Chiefs of States in India or the Government or administrations established in such States.

There was a very heated debate over this matter. The Home Member said among other things that the Bill closely followed the provisions of the English Act which protects foreign Governments against objectionable attacks in the Press. The Princes in India, he said, were unanimous in demanding the protection which the Government thought was necessary.



The signatories to the report of the Press Act Committee which included two eminent members of Government, Sir William and the Law Member, had turned down a proposal for legislation for the protection of Native States and Chiefs on the ground that such legislation would in practice stifle all legitimate criticism directed with the object of reforming Native States administration or the ventilating of legitimate grievances of Native States' subjects. Therefore, the Home Member began his speech with an apologetic reference to the report of the Press Act Committee and said that the Government of India as a whole could not find their way to accept this recommendation of the Committee as they felt themselves pledged to Native Chiefs and States to afford them protection against virulent criticism and attacks likely to bring them into contempt or hatred. They felt themselves under the obligation on the further ground that in a number of Native States provision existed which protected the British Government from being brought into contempt in their jurisdiction. The repeal of the Press Act had taken away this safeguard. The Press Act Committee turned the proposal down because sufficient evidence was not then placed before it. That was the strain of Sir William's speech.

Munshi Iswar Saran, who followed Sir William, wondered how it could lie in the mouth of Sir William to come forward with that piece of legislation after being the chief signatory to the Press Act Committee. He quoted in extenso from the report to show that the Committee rejected that proposal after careful consideration of the pros and cons of the question and came to the deliberate conclusion that any such special legislation, no matter what safeguards were provided, would be abused and would result in stifling all legitimate criticism. He asked, have conditions so radically changed during the six months that had passed between them and the Press Act Committee Report to justify the Home Member to swallow his opinions and to come out with that Bill? He asked the Home Member how things were going on for so many years before 1910 when there was no statutory law in existence. Did not the Government of India realise their obligations towards these States then? He pointed out there were few independent newspapers in the Native States themselves, and the proposed measure was sure to affect such papers as took interest in the Native States Administration adversely. He recalled a recent instance in which when grave imputations were made against His Majesty the King, he refused to take advantage of the prerogative of the Crown which offered him protection and said he would repudiate them like a common individual. He exhorted Indian Chiefs to follow the King Emperor's example in the matter. Finally, Munshi Iswar Saran exhorted



*the House to accept Sir William's challenge given on another occasion to come out in the open and turn down the Bill without further consideration.*

On being put to the House the motion for introduction of the Bill was rejected by a majority of four votes, division being 41 for and 45 against. The result was received amidst loud non-official applause.

Mr. Butler, Education Secretary, then moved :—“ This Assembly recommends to the Governor General in Council, first, to approve the proposal of the governing body of the Indian Research Fund Association to devote the capital funds at their disposal (a) to the erection of an Imperial Medical Research Institute and (b) to the formation of a fund for its endowment : secondly, to approve the proposal of the governing body of the Indian Research Fund Association that so long as they receive a sum of five lakhs yearly from Government, they shall devote a sum of two and half lakhs to the purposes of the Imperial Medical Research Institute ; and thirdly, to accept the offer made by certain anonymous donors of contributions totalling one and a half lakhs of rupees a year for 10 years and of at least one lakh a year after ten years towards the maintenance of a clinical unit based on the said institute subject to the condition that the Government of India will, if and as funds permit, provide that the total annual income of the said Institute shall not be less than five lakhs inclusive of the amounts provided by the Indian Research Fund.

The House agreed to the resolution without discussion.

#### A Supreme Court for India

Dr. Gour moved for the establishment of a Supreme Court of Appeal in British India. He traced the history of the question and quoted the opinion of certain local Governments in favour of it. The establishment of such a Court, he said, would make India judicially self-contained and was well justified by the fact that now that India had a written constitution it should also have a supreme court to uphold its constitution and deal with questions out of it, for example, the constitutional question about votable and non-votable items raised in Delhi by Mr. Ginnwala could have been settled in India by such a Court. The existing Privy Council, he remarked, had been declared by high authorities not as efficient as advances of time required. With regard to judicial opinion in India he contended that three High Courts out of six consulted were in favour of a final court of appeal in India.

Sir William Vincent, on behalf of the Government, explained that they had no adequate time to consider the very many opinions



that had been received on the subject and the Government had therefore not come to any decision thereon. The discussion of the resolution was premature, especially in this matter of great moment.

After discussion, Dr. Gour's motion was put to vote and rejected.

## The Legislative Assembly

SIMLA—25TH SEPTEMBER 1922

The overthrow of the Press Bill by the Assembly created a sort of sensation in Simla for the next few days. It was well known that the Viceroy, urged from Whitehall, was for carrying that piece of legislation, though his Executive Council, especially the Home Member, was not very keen on it. For, only some six months ago Sir William Vincent and Dr. Sapru, as members of the Press Committee had deliberately declared that a bill of that kind was unnecessary. Now, when the Assembly rejected the bill on the 23rd, the Home Member hastened to the Viceroy and Lord Reading forthwith certified under S. 67-B., of the Govt. of India Act, that the passage of the bill was essential in the interests of British India, and ordered the bill to be introduced into the Council of State as a 'certificated Bill'. This flouting of the Assembly and the unusual exercise of the Governor-General's extraordinary powers under the Govt. of India Act served to unnerve the Assembly, and on its meeting on the 25th Mr. Rangachariar moved an adjournment of the House to consider the grave situation created. Sir William Vincent opposed this motion on the ground that the Viceroy had exercised his statutory powers over a matter which was solely within his discretion, and that the Governor-General-in-Council could not make a recommendation to the Governor-General in a matter in which he was exercising his prerogative. He pointed out that the Bill could not be brought back to the Assembly, adroitly hinting at the latter's climb down, so long as the Governor-General's certificate was in operation. He would, however, communicate the wishes of the Assembly to the Viceroy if he was assured by the Democratic and National parties that they would consider the Bill favourably when he re-introduced the Bill.

The President at this stage intervened and suggested a Joint Conference of the Government and non-official leaders to see how best they could avert the conflict. On this Sir William said that he would carry the message to His Excellency, but he concluded with the taunt that the House had itself to thank for launching itself in that inconvenient position.

After Mr. Rangachari's motion for adjournment fell through, Mr. Harchandrai raised informally the question of abandoning



altogether the Simla sessions because the cold and wet weather had a bad effect on the health of members. The two sessions in Delhi might be held in October and November, and February and March. Sir William Vincent said that naturally when such question was brought forward without notice, the Government could not be expected to give its considered view. He was sure that if the House took the view of Mr. Harebandrai, it would have ample opportunity of saying so in Delhi.

The House then proceeded to the business of the day, and agreed to appoint a Joint Committee of nine members on the Indian Mines Bill.

Sir William Vincent moved the final reading of the Bill regarding the suppression of White Slave Traffic. Mr. Agnihotri moved that in view of some objectionable provisions of the Bill, particularly the low age limit, it should be referred to a Select Committee for examination. By a majority of one, voting point being 35 against 34, the Assembly adopted the motion of Mr. Agnihotri.

The Bill amending the Criminal Tribes Act was passed without discussion in the form in which it had emerged from the Select Committee.

#### The Police Bill

The House next concurred in the amendments of the Police Bill made by the Council of State. Sir William Vincent pointed out that the Government had gone to the farthest possible limit to meet the wishes of the House and that the Bill as emerged from the Upper Chamber made it clear that 'bona fide' actions for the protection of the welfare of a member of police force would not be penalised, that no Court inferior to that of a Presidency Magistrate or Magistrate of the First Class shall try any offence under this Act, and that no offence under this Act shall be triable summarily.

Mr. Burdon next introduced a Bill to give effect in British India to the treaty for limitation of the Naval armaments.

At this stage the House was adjourned for one and a half hour, the President remarking that more than the usual length of the interval was given to enable the Home Member to consult some members of the House before reporting to the Viceroy the feeling of the House on the Press Act.

Accordingly papers were placed in the hands of the members explaining the necessity of the legislation. A conference was held with the Government members and the leaders of the non-officials, Messrs. Rangachari, Samarth, Ginwala and Sir Devaprosad Sarbadhichary. The result of the Conference was reported to the Viceroy.



## Supplementary Grants

Reassembling after lunch the Assembly considered at length the supplementary demands for the grants item by item. Several motions for reduction were moved merely for eliciting information and were later withdrawn. Sir Malcolm Hailey replying to the criticism of Dr. Gour on the military budget asked the House not to believe the statement of Dr. Gour that some higher authority was forcing them to maintain their military figure at the present level. Out of 57 items of demands the Assembly agreed without reduction to 27 items.

## The Council of State.

*SIMLA—25TH SEPTEMBER 1922.*

On the 25th the Council of State discussed the following resolutions. One standing in the name of Mr. Raza Ali bearing on the pay and pensions of the I.C.S. was not taken up owing to the absence of the member.

Lala Sukhbir Sinha moved:—

“That necessary steps be taken to have the Land Acquisition Act No. 1 of 1894 so amended as to make any Government notification to acquire any land for a public purpose subject to be questioned by the proprietors in a Civil Court for declaration whether the object for which the land is going to be acquired is public purpose or not.”

Mr. Sarma, on behalf of Government, after stating that the whole question of the revision of the Act was under consideration, said that it would be inadvisable, inexpedient and wrong to refer the question of acquisition of lands to courts to find out whether it was for public purpose or not. The resolution was put and lost.

The next resolution was moved by Sardar Jogendra Singh who urged:—

“That the recommendation of the Acworth Committee be given effect to and that the Railway Board be reconstituted providing for a strong Indian representation”.

The mover and his supporters expressed the feeling that the Indian opinion of the grievance of third class passengers had not been given full weight. He considered that in future the constitution of the Railway Board must have a strong Indian element. There was great need for the appointment of a Ministry of Transport as recommended by the Committee. Otherwise there would be no hope for trade and commerce in the country. The resolution was carried.



On the motion of Mr. Kale amended by Mr. Lindsay the Council advised the Government to start an enquiry into the system at present followed by the department of statistics in collecting, compiling and publishing statistics relating to economic, social and constitutional progress of India with a view to enhance their public utility.

*SIMLA—26TH SEPTEMBER 1922.*

On the Council reassembling on the 26th the Secretary reported the passage in the Legislative Assembly of the Police (Incitement to Disaffection) Bill as passed in the Council of State.

On the motion of Mr. Lindsay supported by Mr. Samaldas and Sir Arthur Froom the Bill to remove restrictions imposed on transfer of ships registered in British India was passed.

*The Press Bill for Princes' Protection.*

Mr. Thompson then moved for the consideration of the Bill to prevent dissemination by means of books, newspapers etc., calculated to bring into hatred or contempt or excite disaffection against Princes or Chiefs of Indian States or Government or administration established in such States. Urging this motion Mr. Thompson made a long speech, attacking the Assembly which had thrown out the bill and making many misstatements which were subsequently corrected by his chief, Sir William Vincent. He said that the Bill was the first ever presented to either Chamber of the Legislature under the certificate of the Governor General. The position that had arisen was not of Government's seeking. The Bill was refused introduction in the Assembly and the Governor-General, a lawyer of the highest eminence, had said that his Government had decided that they were bound by treaties and honour to provide the safety sought for. These were words of tremendous weight. But what was the answer of the Assembly? That Chamber had flung it back directly in the face of the Government of India without considering the seriousness of that step. He then warmed up greatly and said that the Assembly had told the head of the Government of India that his idea about the interpretation of the contracts was less than dust in the balance. Their decision at its face value meant that in their view treaties and contracts had no meaning, that honour was a plea which they would not discuss, and they recognised none of the agreements entered into between the States and the Executive Government of the country! But it was the feeling that the Assembly did not realise what their action implied that made it possible for the Government to take a more optimistic view of the situation. Two courses were open. The Government might either have the Bill reintroduced here or in the Assembly. But that would have meant delay and uncertainty. The other alternative



was the procedure now adopted under Section 67 of the Act. Government felt that this procedure must have the appearance, at any rate of ungraciousness towards this House which had so often supported them in difficult days. But there was no option under the Act. Government after full consideration had decided that they were unable to accept any amendment in the form of the Bill as recommended by the Governor-General. The reason was that they feared that, if they did not do so awkward legal objections might be raised in Courts in case the validity of this legislation was challenged.

Professor Kale moved an amendment that the Bill be taken into consideration early next year. The House discussed this amendment at great length and eventually it was lost by a majority. Professor Kale in moving for the postponement of the consideration said that, in spite of the admonitions administered by Mr. Thompson, he moved his amendment because it was not intended to defeat the purpose of the Bill nor to call in question the fundamental principle thereof, but only for more time being allowed to enable the members to consider the various features of it. Government had not placed all the materials connected with the legislation before the Council. As one who had the greatest respect for the Indian Princes and as one who felt gratitude to them for educational and other developments in British India that had taken place as a result of their charity. Mr. Kale contended that sufficient time ought to be allowed so that the Members might consider in what way protection could be extended to the Indian Princes.

Sir Binode Chander Mitter thought that the Assembly had not acted hastily or foolishly, on the other hand the Bill had been recommended to this Council by the Viceroy who was one of the greatest lawyers. But, Sir Binode Chander believed, that a case for further time to examine the provisions of the Bill had been made out by Professor Kale. From the Government point of view also it was necessary that the consideration of the Bill must be postponed till early next year, especially in the extraordinary circumstances created. There was not to be any reference to the Select Committee. If from 1823 down to 1910 the Princes had gone on without any protection they could as well afford to wait a few months more.

Sir William Vincent in opposing the amendment remarked at the outset that he did not believe that the Assembly ever intended in any way to flout His Excellency nor did he think that the honour of the Government of India or of the Viceroy had been treated as less than dust in the scale.



Mr. Thompson intervening remarked:—I think the Home Member is really explaining that he is in agreement with my views.

Sir William Vincent:—"Sir, I believe that the Assembly did act unwisely in rejecting the motion and I believe that feeling is shared by many here, but I agree with Professor Kala that it would not be fair to criticise the action of the Assembly, because it would do this House no good nor the Government. I cannot believe that any remarks made in antagonism to the other House can produce good results here or anywhere else. I believe that by the action of the Assembly we are in a very unfortunate position. We cannot reintroduce the Bill for another year. Now the Bill has been certified by the Governor General. But I am very anxious that this Council should not think that this certification was due to any doubt on the part of the Government that there would be no support to this Bill from the Council. If the Bill had not been certified, it could not have come up at all before this House now. Even up till last night I have been working to avoid this method of legislation but could find no way out. But Mr. Thompson put it bluntly that the Government of India would not accept any amendments to this Bill. The position is that Government cannot accept any amendments to a certified Bill. We have some doubt that, if we accept any amendment, the validity of the certificate might be called in question."

Proceeding, the Home Member emphasised the arguments advanced by Mr. Thompson about the necessity for the measure and justified his own position as a signatory to the report of the Press Act Committee which had reported against the necessity for protection to the Princes. With regard to Mr. Thompson's statement that the Committee's finding that there was no law protecting Indian Princes before 1910 was incorrect, Sir William said that he did not regard the Regulation of 1823 which was afterwards repealed in 1835 was any evidence in support of the proposition that a law of the present kind was needed at that time. Secondly, the Committee was attacked by Mr. Thompson because there were only three cases shown to them. Was it the fault of the Committee that they did not hunt round for facts in justification of protection to the Princes? Of the three cases two were not quite strong and up to the moment of writing the report there was no sufficient evidence. "I am quite correct," said Sir William, "in the attitude that I have taken up, but since then there have been numerous instances to show that these Princes have been shamelessly defamed in the Press. Further, the Princes themselves in the Chiefs' Conference held in November last passed a resolution demanding a Bill of this nature. We are unwilling to force a legislation in the Council at this time. But there are



reasons for it on account of the action of the Assembly. In this Bill we only restore the protection that was given to the Princes<sup>s</sup> by the Act of 1910 in a safer and better form."

The Bill was then taken into consideration clause by clause. Clause 1 and 2 were carried without amendment. In Clause 3 Sub-Clause (1) Mr. Kale moved that the words "bring or is intended to bring into hatred or contempt or" be omitted. Messrs Kale and Khaparde tried to move other amendments but they were negatived as no amendments could be made in the bill as sent by the Viceroy, as pointed out by Sir William Vincent.

Sir William Vincent, however, gave an undertaking that all the reasonable suggestions made by the non-official members would be gone into carefully and, if necessary, Government would themselves bring forward the amendments later.

Eventually the Bill remained without any amendment. The motion for the passage of the Bill was put and carried, Mr. Rangaswami Iyengar's being the only dissentient voice.

This closed the business of the Simla Session. The Council then adjourned till January 1923.

## The Legislative Assembly.

*SIMLA—26TH SEPTEMBER 1922*

On September 26th the Assembly held the final sitting of the Simla session. Before the regular business was proceeded with Sir William Vincent announced with regret that despite the utmost endeavours of the Government members and some non-officials who conferred with them they had failed, on account of circumstances beyond their control, to come to any satisfactory solution about the Impasse on the Press Bill.

The business of the day was voting on the remaining supplementary demands. The House sat for only 2 and 1/2 hours during which it voted without reduction total supplementary grants amounting to Rs. 1,309,000, but before the demands were passed several members took opportunity to move nominal cuts to elicit information.

Mr. Ginwala raised the question of the Inchcape Committee by moving for the nominal reduction of Rs. 100 from the expenditure proposed to cover the expenses of the Retrenchment Committee. Mr. Ginwala complained that the Assembly was not represented on this Committee and objected to the procedure laid down for the committee of admitting only written statements and not oral evidence.



Dr. Nandlal suggested that there should be a November Session of the Legislature in Delhi so that the Inchcape Committee might have the opportunity of hearing the members of this House.

The Finance Member replied that the Government had been anxious to follow the example of the Geddes Committee in appointing only business men and not politicians to the Committee. He thought it was possible that the deliberations of that body may have a great effect not only on the finances of the Government, but also on their administrative arrangements. He believed that the best mandate that the House could give to Lord Inchcape was that he and his colleagues should do their best to produce equilibrium in their revenue and expenditure. Referring to the remarks of Dr. Nandlal that the Inchcape Committee and the Assembly should hold their Sessions in November in Delhi, the Finance Member admitted that the feeling of the members on the subject of retrenchment and the atmosphere of the House would influence the Retrenchment Committee, but he felt that the Departments of Government would be so busy in getting their affairs examined by the Committee that it would be exceedingly difficult for them to carry on the Assembly while they were under the constant examination of the Committee.

Dr. Gour said that the analogy of the Geddes Committee would have been closer if the Government had allowed to issue a mandate regarding the percentage or amount of savings that it expected the Retrenchment Committee to effect.

After further discussion of several amendments proposing nominal cuts which were all defeated or withdrawn, the full amount of the total supplementary demand was granted. The House then adjourned till January 1923 to a date to be subsequently announced.



# The Press (Princes' Protection) Bill

## The Democratic Party's Manifesto

There was great perturbation amongst the members of Indian Councils on the grave constitutional issues involved in the forcible passage of the Press Bill by the exercise of the Governor General's extraordinary powers. Mr. Rungachari, the chief spokesman, and Mr. Ginwalla, the chief whip of the Democratic Party in the Legislative Assembly issued, on the 28th September 1922, the following statement to the press explaining the position of those who rejected the motion for the introduction of the Bill to protect Indian Princes and discussing the constitutional precedent created by the Governor-General's certification of the Bill :—

In view of the constitutional precedent created by His Excellency the Governor-General in getting the Bill to protect Indian Princes against seditious attacks passed in the Council of State on certification under Section 67 (B) of the Government of India Act and in the form recommended by him, it is necessary that the position of those who favoured the rejection at the first reading in the Indian Legislative Assembly should be clearly explained to the public here and in England. The facts which affected the decision of the Assembly may be taken as beyond dispute. A powerful committee of which the Hon. Sir William Vincent and the Hon. Dr. Tej Bahadur Sapru, both members of the Executive Council were members, unanimously reported so recently as July 1921 that "we do not think that we should be justified in recommending on general grounds any enactment in the penal code or elsewhere for the purpose of affording such protection in the absence of evidence to prove the practical necessity for such a provision of the law."

In face of this deliberate recommendation the Governor-General who, though forming part of the Indian Legislature, is not a member of it and has not, like the Prime Minister or any other responsible Minister, any personal influence over its deliberations, commits himself to this piece of legislation without a fresh examination of the question by a Committee of the legislature or otherwise. At the tail end of this session the Bill was sought to be introduced in the Assembly and at its first reading no new material facts were placed before it which could justify it in practically over-riding the decision of that powerful committee and in ignoring Indian public opinion which endorsed it. The necessity of the measure was not



clear on such facts as the Assembly had before it. In rejecting the motion for introducing this bill the Assembly has exercised what is its constitutional right. This is not the first time that such a course has been adopted, as it will be remembered that in September last a Government Bill (the Indian War Relief Trust Bill) was thrown out on the opposition of Mr. Price and others. The action of the Governor-General however cannot, in our opinion, be defended on the mere ground that he was also exercising his constitutional rights which is only one of ultimate resort. No doubt the Governor-General has the power to adopt this course, but did the circumstances justify its exercise? Our answer to that question must be definitely in the negative. Extraordinary powers of this nature are intended to be exercised only when all other avenues of securing the object in view have been explored and exhausted. In the first place, if the measure was considered so urgent, it was open to the Governor-General and his Government to introduce the Bill in the ordinary way in the Council of State and get it passed there with or without a Select Committee of that Chamber, as that Chamber might decide, and then bring it back to the Legislative Assembly by proroguing the session of the Assembly and convening a new session immediately. The Bill could hardly have been considered so urgent because Government only on Saturday last took the chance of its being introduced in the Assembly in which case the Assembly could have at the second reading got the Bill circulated for opinion or got it referred to a select committee. In either case the Bill could not have been passed this session. How then within 24 hours of the rejection of the motion for leave by the Assembly, and before the news of it was known in the country, His Excellency could have thought that the measure was so urgent as to justify resorting to this extraordinary procedure, and that on a Sunday, it is difficult to comprehend. Secondly, if there was any technical difficulty in the way of the re-introduction of the Bill in the Assembly or its introduction in the Council of State in the ordinary course in the same session, it could have been got over by the prorogation of the two Chambers on one day and the resummoning of them on the following day for a new session. The third course would have been to have allowed the Bill to stand over until the re-assembling of the Assembly and the Council of State in a new session and to have re-introduced it in either House on fresh material. Lastly, in every form of constitution which bears any resemblance to responsible Government, the dissolution of the Chamber and an appeal to the country against its decision would also have been resorted to. The Governor-General, however, in preference to all these alternatives, utilised the Council of State for securing for his Government the



passage of the Bill in the recommended form which would never have been accepted by the Assembly at its second reading, for it is beyond doubt that a popular Assembly, even if it had allowed its introduction, would not have allowed it to be passed without removing some of its very objectionable features. To mention only one, it is meaningless to speak of spreading disaffection in India amongst the British Indian subjects against Indian Princes to whom they owe no allegiance.

This constitutional episode has brought into prominence two very ugly features of the reformed constitution. Firstly, that the Executive Government can pledge itself to legislation without consulting the Legislative Bodies and later impose upon them its will without justifying the necessity therefor. Secondly, even those who have had faith in the reality of the reforms are now obliged to own that they have been rather too optimistic as to their extent and character. In these circumstances, as the action of the Legislative Assembly is likely to be misinterpreted both here and in England, a representative deputation ought to be sent to that country with a view to explaining the exact circumstances which led to the rejection of the motion for the introduction of the Bill, not only to the Joint Parliamentary Committee but to the British public at large, before the Bill is laid on the table of Parliament and before any mischief is done. We are, however, confident that Indian opinion in the country will fully endorse the action of the Assembly. Propaganda has to be carried on also in this country to bring about the repeal of the measure and its re-enactment in the usual course, if necessary, on clear and complete proof as to its necessity.

## The Government of India's Reply

In reply to this manifesto the Govt. of India issued on Oct. 4th the following press communiqué.

The attention of the Government of India has been drawn to a statement which has been issued to the press by Mr. Rangachariar and Mr. Ginwala explaining the position of those who rejected the motion for the introduction of the Bill to protect Indian Princes and discussing the constitutional position created by the Governor-General's certification of the Bill. In this statement it is alleged that the Governor-General, in the face of deliberate recommendation of the Press Committee, committed himself to legislation without a fresh examination of the question, and that at the first reading of the Bill no new material facts were placed before the Assembly which could justify the measure—for the measure was not clear on such facts as the Assembly had before it. It is further alleged that the circumstances were not such as to justify the exercise by the Governor-General of his constitutional right, and in support of this contention it is argued that extraordinary power of this nature are intended to be exercised only when all other avenues of securing the object in view have been explored and exhausted, and that, in fact, four



other courses were open. The Governor-General and his Government, it is said, might have introduced the Bill in the ordinary way in the Council of State and then have brought it back to the Legislative Assembly for proroguing the session of the Assembly and convening a new session immediately; secondly, any technical difficulty in the way of reintroduction of the Bill in the Assembly or its introduction in the Council of State in the ordinary course in the same session could have been got over by the prorogation of them on the following day for a new session; the third course, it is alleged, would have been to allow the Bill to stand over until the re-assembling of the Assembly and the Council of State in the new session and to have it in either House on fresh material; and lastly it is alleged, that in every form of constitution which bears any resemblance to responsible Government, the dissolution of the Chamber and an appeal to the country against its decision could also have been resorted to.

This statement is in several respects misleading. The Press Committee considered that they would not be justified in recommending on general grounds any enactment for the purpose of affording to prove the practical necessity for such a provision of the Law. Their general recommendation was thus entirely conditional on the continued absence of evidence sufficient to show that Legislation was required. They expressly stated that they had been handicapped by the very inadequate representation of the views of the Princes, and they made it clear that their conclusion was based entirely on the materials placed before them. In his address to the Legislature on the 3rd September 1921, His Excellency stated that it was necessary to make some reservation in regard to this part of the report of the Press Committee and that if the Press Act were repealed it might become necessary to consider what form of protection should be given to the Princes in substitution. Subsequently to the proceedings of the Press Committee a further and more detailed investigation was undertaken and it was then found that the occasions on which the Press Act had been used in connection with attacks on the Princes had been far more numerous than the Press Committee had been led to believe, and further, that objectionable attacks were of very frequent occurrence.

The question whether legislation was needed to protect the Princes against such attacks was fully discussed during the session of the Chamber of Princes held in November last, and the Chamber passed a resolution without a division recommending to His Excellency the Viceroy that steps should be taken to safeguard them, their States and their Governments. In this connection it may be observed that no suggestion has ever been made that the powers given to the Princes under the Press Act have ever been abused by them. Indeed, the argument has been that the Princes have availed themselves so sparingly of the protection afforded to them and that, therefore, there is no necessity for the legislation in question.

It was in the light of and in consequence of the new materials elicited and after consultation with local Governments, Darbars and political officers that the Government of India decided that they were bound by their agreements and in honour to afford to the Princes the same measure of protection as they had previously enjoyed by the Press Act, and this decision was announced in His Excellency's speech on the 5th September last at the opening of the Legislature. Later, in his speech moving for leave to introduce the Bill, Sir William Vincent indicated clearly the reasons which had led to this decision and pointed out that the Committee had not negatived the idea that such legislation might be necessary in the future. They had only stated that adequate materials had not been brought before them and very few instances had in fact, he observed, been brought to their notice. He also made it clear that further examination had



revealed the existence of a mass of material which had not been before the Committee and he cited specific instances of insults and attempts to foment dissatisfaction. These instances, he stated, might have been multiplied, but he refrained from doing so in view of the limitations attaching to the discussion of a motion for leave to introduce a Bill. Nevertheless, despite the announcement by His Excellency the Viceroy that the Government were committed not only by treaties etc., but above all in honour to the measure and in face of the clear indication by the Home Member that since the issue of the report of the Press Committee fresh materials amply justifying and indeed necessitating its enactment had become available, the Assembly rejected the motion for leave to introduce and declined even to consider the Bill.

It is alleged in the statements of Messrs. Rangachariar and Ginwala that a precedent for this action is to be found in the rejection by the Assembly of a Government Bill (The Indian War Relief Trust Bill) in September 1921. It is unnecessary to discuss the question whether rejection by the legislature or one of the Chambers thereof of a motion for leave to introduce a Government Bill would, in any circumstances, be in accordance with constitutional practice. It will be obvious however to anyone acquainted with the Indian War Relief Trust Bill and the proceedings in the Assembly in connection therewith, that there can be no real comparison between the action of the Assembly in rejecting that Bill and the course adopted by it in regard to a measure affecting the Rulers of one third of India and to which the Government had announced that they were committed by considerations of honour.

The contention that there were other avenues of securing the object in view which should have been explored and exhausted before certification was resorted to will not stand examination. Of the four alternative courses alleged to have been possible, the first two were obviously open to grave objections. The prorogation of the Assembly or of both Chambers to be followed by immediate resummoning for a new session was clearly a course not contemplated in the rules and, moreover, which in the absence of guarantees that the Assembly was prepared to reconsider its attitude, could have served no purpose. The third course suggested, namely that the Bill should have been allowed to stand over until the reassembling of the Assembly and the Council of State in a new session, would have involved a delay of a whole year and might have given rise to legitimate apprehension amongst the Princes in regard to the intentions of the Government and, moreover, could not be adopted by the Government on the subject of a Bill to which as already stated they were in honour committed. The final suggestion that the Government should have dissolved the Chamber and appealed to the country against its decision can hardly have been intended to be taken seriously. If it was so intended, however, it betrays a complete misconception of the circumstances in which such action by the Governor-General would be constitutionally justifiable.

## The Viceroy's Despatch to the Sec. of State

Finally, a Gazettee "Extraordinary" publishes the despatch of Lord Reading to the Secretary of State, dated 12th October, regarding the Indian States' Protection against Disaffection Act, 1922, and the latter's telegram dated 14th November last fully approving of the Governor-General's action under Section 67 of Government of India Act. The bill was sought to be introduced in the Legislative



Assembly during the September session at Simla, but summarily rejected by that House necessitating the Governor-General's exercise of the powers of certification vested in him under the Government of India Act, a step which created intense agitation in the press. After the certification the Bill went up before the Upper House which passed the measure in the form recommended by the Governor-General, there being only one dissentient, Mr. K. V. Rangaswamy Iyengar. Lord Reading, before setting forth in great detail the circumstances which made it incumbent on him to take the necessary steps to pass the measure into law, declares: "I do propose to exercise the power vested in me in the proviso to sub-section two of that section to direct that the Act shall come into operation forthwith."

### The Despatch

Lord Reading in the course of his despatch states:

Although the Government of India in 1823 and again in 1891 had found it necessary to give to Ruling Princes some measure of protection against attacks in the press, the Press Act of 1910 was the first regular legislative enactment which provided for that purpose. Instances of vilification of Rulers of States and their administrations had from time to time been brought to the notice of the Government of India. In reply to the well-remembered letter of Lord Minto several of the leading Princes had emphasised the dangers of the press, some of them with specific reference to the States, and in 1909 the Bombay Government had drawn attention to the question of the levy of black-mail from Indian States by newspapers published in British India. It was in these circumstances that provision was made in the Act for the protection of Ruling Princes and Chiefs. Eleven years later the Government of India, mainly with a view to the removal from the statute book of all provisions of Law which were regarded or represented as savouring of repression, decided to appoint a Committee to examine the working of the Acts relating to the press and to report as to the desirability of repealing or modifying them. The case for Princes was not put before the Committee in complete form, but I observe that several of the witnesses who were themselves connected with the press were not opposed to the grant of protection to Rulers of States, and some of them referred to cases in which attempts had been made to blackmail Dārbars. The finding of the Press Committee was not a finding that no protection was required. It was merely a finding that the evidence before the Committee did not show that such protection was necessary. Before the Committee reported, my Government had, in May of last year, foreseen the necessity of continuing to Princes in another form the protection they would lose if the Press Act were repealed, but in July 1921 the Committee reported that the evidence was insufficient to establish the practical necessity for this protection. We accepted the recommendations of the Committee including the finding above mentioned. Immediately thereafter complaints of attacks were received from certain important Princes and further evidence began to accumulate. Accordingly, on August 5th we arrived at the decision that the question of substituting some form of protection other than that given by the Press Act required further consideration but should be postponed until the Chamber of Princes had met and given its opinion.



### The Secretary of State's Hint

On the following day we received a telegram from Your Lordship's predecessor which indicated that his mind was working in the same direction. The telegram stated—

“ Shall raise no objection to your introducing legislation but shall be glad if you will consider the following points. I understand there are objections to the retention of legal measures for special protection for the Chiefs and Princes, but I suggest, that in view of the notorious frequency of blackmail by disreputable papers and of the history of the matter, you should consider whether the protection of your Courts could be afforded to Chiefs and Princes in a manner that would not be negated by their objection to appearing in Court. The difficulties that might arise if this point were raised in the Chamber of Princes have no doubt been considered by you.”

The matter came before the Chamber of Princes which resolved without division, urging on the Viceroy to consider measures to safeguard and secure Princes and Chiefs, their States and Governments, against any insidious or dangerous attempts.

### Varied Opinions.

The result of the inquiry that has been made has been to show that practically all the States which have replied are definitely in favour of action being taken. There are about half a dozen whose views are somewhat different in that though they would apparently like to be protected, they would prefer not to ask for protection of the local Governments (who, it must be remembered, were not in possession of the fuller information on which my subsequent action was based). Those of Bengal, the Central Provinces and Assam did not think that a case had been made out for legislation though the opinion of the Government of the Central Provinces had reference only to the minor States with which they are in political relations. The Governments of Madras, the United Provinces and the Punjab were all in favour of legislation, but Bombay, though apparently in sympathy with the object aimed at, could suggest no satisfactory method of attaining it, while the Government of Bihar and Orissa offered no opinion. Among the political authorities consulted there was an overwhelming majority in favour of taking action. As regards the form that the action was to take, opinion was generally in favour of extending the scope of Section 124-A.

### The Safeguard in the Bill.

The question on legislation was considered by my Government in the middle of August and it was decided that a bill should be introduced during the forthcoming session. We did not favour the extension of Section 124-A, as apart from other objections an extension of that section would have applied to the spoken as well as to the written word, whereas the Press Act had given only protection against the latter. We decided, therefore, to grant protection only in regard to the written word with the important safe-guard that no court should try any offence under the Act except on the complaint of and under the authority of the Governor-General in Council. This safeguard, I may point out, is more stringent than that provided by Section 196 of the Criminal Procedure Code in regard to prosecutions for sedition in British India for the institution of which the authority of the local Government or some officer empowered by the Governor-General in Council in this behalf is all that is required.”



**The Assembly's Conduct.**

The despatch then proceeds to state that the Bill was put before the Assembly on 23rd September and leave to introduce it was refused by 45 votes to 41. Sir William Vincent was handicapped in developing the case by the rule which limits speeches at that stage to ten minutes' duration, but it was never anticipated that leave to introduce a Government bill, which the head of the Government had vouched for, would be rejected in summary fashion by the House. It seemed to Lord Reading impossible to ignore the action of the Assembly, and after discussing the situation at a Council meeting on the 24th. decided to use the special powers of certification because the Government owed a debt to the States both under agreements and in honour. Next day, a motion for adjournment of the House to consider the situation was disallowed by the President of the Legislative Assembly, but Sir William Vincent agreed to approach Lord Reading on behalf of the Assembly with a view to ascertaining whether there was any practical alternative to allowing the bill to take its course under Section 67-B of the Government of India Act. His Excellency then says :—

As it seemed probable that the members of the Assembly who had rejected the motion for leave to introduce the bill had not fully realised all that their action implied, I received certain leading members of the assembly that evening, but the discussion which ensued made it plain that no agreement could be reached. I decided therefore to let the bill take its course in the Council of State the following day.

Various amendments were moved. Among them was one for consideration early in 1923 which at the Government's instance was rejected by the House. As regards the amendments in the bill itself, doubts had been pressed whether any such amendments were admissible in view of the wording of the section which appeared to enquire that the bill should be passed without alteration in the form recommended by me. It seemed to me therefore more prudent not to take any risks and I decided, not without regret, that amendments ought not to be accepted at that stage, though the Home Member gave an assurance that we should be prepared later on to consider favourably any amendments which might subsequently be shown to be desirable. The Bill was ultimately passed by the Council of State in the form recommended, with only one dissentient."

**The Secretary of State's Approval**

The Secretary of State telegraphed back on 14th November : "I desire to assure you that the provisions of the Act and your action in respect thereof have my full approval and I am taking further steps required in pursuance of Section 67 B of the Government of India Act."

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# The Laws of 1921

## Acts Passed by the Central Legislature in 1921

**Indian Tea Cess (Amendment) Act.**—The object of the amendment in the Indian Tea Cess Act (IX of 1903) was to raise the maximum rate of the cess levied on Indian tea from one-quarter of a pie per pound to eight annas per hundred pounds. The proceeds of the cess were to be devoted to propaganda work in connection with the consumption of tea in India and abroad.

**The Legislative Assembly (Deputy President's Salary) Act.** The Deputy President was to get Rs. 1,000 *per mensem*, payable only for "the period during which he is engaged on work connected with the business" of the Assembly.

**The Civil Procedure Code (Amendment) Act.**—Under Section 55 of the Civil Procedure Code of 1908, as soon as a judgment debtor arrested in execution of a decree for the payment of money was brought before the Court and expressed his desire to apply to be declared insolvent, he was automatically released from custody. This provision conflicted with Section 23 of the Provincial Insolvency Act V of 1920, which made such release depend on the discretion of the Court. This conflict was avoided by making the provision in the Code to depend on the discretion of the Court.

**The Import and Export of Goods (Amendment) Act.**—The provisions of the Import and Export of Goods Act XI of 1916 was extended for another year ending with the 31st March 1922.

**The Indigo Cess (Amendment) Act.**—The Indigo Cess Act III of 1918 levied cess on indigo at the rate of "one rupee per maund of 82-2/7 pounds avoirdupois." The maximum rate was raised to "one rupee eight annas per hundred weight of one hundred and twelve pounds avoirdupois."

**The Indian Finance Act 1921.**—To provide for the increased expenditure in almost all branches of the administration the Legislature have to pass a Finance Act every year to impose additional taxes. The new taxes of this year fall under three branches: (1) tariff; (2) post; (3) income and super tax.

Under the first head of tariff, the general *ad valorem* import duty was raised from 7 and half per cent to 11 per cent, except in the case of matches and certain articles of luxury. The machinery and stores imported for use in cotton mills were no longer free of duty, but amenable to the general tax. Hitherto match-boxes were



liable to an import duty of 7 half per cent. That duty was replaced by a specific import duty of 12 annas per gross boxes of matches. Duty on liquors increased to 3 annas per degree of proof per gallon. Articles of luxury, such as confectionery, gun-powder, motor cars, clocks and watches, electro-plated ware, musical instruments, glass bangles and beads, gold and silver plate, silk piece-goods, cinematograph films, fire-works, ivory, jewellery, prints engravings and pictures, pneumatic rubber tyres and tubes, smokers' requisites and toys, were all subjected to an *ad valorem* duty of 20 per cent. The import duty on sugar was raised from 10 to 15 per cent; on tobacco, by 50 per cent.

As to the increase under second head the rates on letters were changed. Letters weighing half tola and under were to bear half an anna postage; those weighing up to one tola to bear 9 pies stamp; and those weighing from one tola to 2 half tolas 1 anna postage. The postage on book, pattern and sample packets was raised so that half an anna was to be paid for every five tolas of weight. In the case of registered newspapers, the lower rate of one pice per every eight tolas remained unchanged; but the maximum limit of weight for half-anna post was cut down from 40 tolas to 20 tolas. The rate on parcels also was doubled. It became two annas for every twenty tolas.

The changes in the income tax and super tax rates were as follows. The untaxable minimum was preserved at Rs. 2,000. The income from Rs. 2,000 to Rs. 5,000 taxed at five pies in the rupee; that from Rs. 5,000 to Rs. 10,000 at six pies in the rupee; and the one from Rs. 10,000 to Rs. 20,000 at nine pies in the rupee. The income of Rs. 20,000 to Rs. 30,000 was taxed at one anna in the rupee; the one of Rs. 30,000 to Rs. 40,000 at one anna and two pies in the rupee; while that of Rs. 40,000 to Rs. 50,000 at one anna and four pies in the rupee. The rates of refund were also proportionately raised but in the reverse order. The super-tax up to income of Rs. 3,00,000 remained stationery. The tax on incomes from Rs. 3,00,000 to Rs. 3,50,000 was raised from 36 pies to 42 pies; while incomes of Rs. 3 and half lacs and above were subjected to a tax of 48 pies in place of 36 pies in the rupee.

**The Calcutta University Act.**—The change of the seat of Government of India from Calcutta to Delhi necessitated the change of relationship between the Governor General of India and the Calcutta University, which was brought into intimate touch with the Governor of Bengal, as its Chancellor.

**The Hindu Transfers and Bequests (City of Madras) Act.**—The Rule of Perpetuity is against the in-born sentiment of the Hindu or the Mahomedan. The Mahomedan has escaped



from the rigour of the rule by the Mussulman Wakf (Validating) Act of 1914. The Hindu has been able to modify its effect by a provision that such transfer or disposition shall not be invalid merely by reason only that the transferee or legatee was an unborn person at the date of the transfer or the death of the testator. The modification was effected in the Madras City by the enactment of Madras Act I of 1914. For the rest of India it was done by Act XV of 1916. The Madras High Court held recently that the Madras Act could not operate in the City of Madras, as the Madras Legislature had no power to curtail the rights of citizens in the City, which were governed by the Hindu Law as it stood when the Royal Charter Act, 24 and 25, Vic. c. 104 was passed. To remove this doubt, the present Act was passed.

**The Enemy Mission Act.**—During the Great War it was found that a number of Missions were tainted by German influence or were in fact German Missions. The British Government transferred the management of those Missions to the various custodians of enemy property during the War. After the war the management was transferred to the Boards of Trustees in different parts of the country who were entrusted with the carrying on of the educational, religious and charitable work of the displaced missions. The above arrangement received legislative sanction by this Act.

**The Indian Marine (Amendment) Act.**—The object of this measure was to obviate a difficulty in procedure in the trial of a Royal Indian Marine Officer by an Indian Marine Court. Before the Court could be assembled, the sanction of the Governor General in Council had to be obtained; this resulted in great delay of the trial. This Act provided that the sanction of the Director of Marine was sufficient.

**The Indian Works of Defence (Amendment) Act.**—These Amendments, sought to be made in the Indian Works of Defence Act VII of 1903, were of a formal nature and necessitated by the recent change in the organisation of the Army in India.

**The Negotiable Instrument (Amendment) Act.**—The Negotiable Instruments Act XXVI of 1881 was amended in 1920 by providing for excuse of delay in making presentment for payment when the delay was caused by circumstances beyond the control of the holder. This was embodied in Section 75-A, which was copied from Section 46 (i) of the English Bills of Exchange Act, 1882. The scope of Section 75-A was extended so as to excuse delay in presentment for acceptance by this Act.

**The Carriers (Amendment) Act.**—The liability of a common carrier in India is now brought into a line with the liability of the Indian Railways. The present Act modifies the liability of the



common carrier, in the case of scheduled articles not declared under Section 3 of the Act, for loss or damage arising from negligence on his part or on that of his agents or servants. The liability of the common carrier in this country is now similar to that in England.

**The Indian Lac Cess Act.**—An export duty is levied at the rate of four annas per maund in the case of lac and two annas per maund in the case of refuse lac exported from any customs port to any port beyond the limits of British India. The proceeds of the cess are to be handed over to the Lac Association, who are to apply it to measures for the promotion of improved methods of cultivation and manufacture of lac.

**The Indian Post Office (Amendment) Act.**—It was found that dutiable articles received by post from beyond British India were not systematically appraised. It was, therefore, enacted by Section 24-A that any Officer of the Post Office might be empowered to deliver any postal article received from beyond British India and suspected to contain any thing liable to duty, to a Customs authority who shall deal with it under the provisions of the Customs Act, 1898.

**The Indian Penal Code (Amendment) Act.**—The sentence of forfeiture, which is now universally regarded as an offensive anachronism, was abolished by this Act by repealing Sections 61 and 62 of the Code. The offences under Sections 121, 121-A and 122, which were visited with orders of forfeiture, are now relieved of their burden and made punishable with increased fine instead.

**The Cattle Trespass (Amendment) Act.**—The scale of fines imposed for the cattle impounded has been fixed by the Cattle Trespass Act as far back as 1871. The fixed scale operates alike throughout the country, independent of local conditions. In the case of habitual trespass, the fine is usually doubled. This system is now done away with and the new section 12 regulates the scale of fees according to the varying circumstances of each province by notifications to be issued from time to time, by the Local Government concerned.

**The Maintenance Orders Enforcement Act.**—This refers to a queer practice in British Society. Desertion of wives by their husbands, and of the children by their fathers had become very conveniently common amongst the British 'Tommies' during the great War. The Act was passed in order that such people may not escape maintenance order passed by any British Court.

**Land Acquisition (Amendment) Act.**—The provisions of the Land Acquisition Act of 1894 were, in their working, found deficient in not providing for sufficient appeals. This is now safeguarded by this Act.



# The Chamber of Princes

*2ND SESSION—DELHI, 7TH NOVEMBER 1921*

The second session of the Chamber of Princes and Chiefs in India was opened by the Viceroy, H. E. Lord Reading on the 7th November 1921. About 30 out of some 700 Princes and Chiefs were present. Proceedings were not open to the press but the Viceroy gravely delivered a long address to such a 'representative and august' body and asked them to discuss and decide questions—some trivial and some momentous—behind the backs of those who were most concerned.

The secrecy of the proceedings was taken as a huge joke by people in general. While the League of Nations and the Disarmament Conference see no reason to withhold information about their doings from the public and are rather desirous of the widest publicity, it was really amusing that these 30 smaller Chiefs out of some 700 would hide their transactions from public view. None of the important States, such as the Nizam's Dominions, Mysore, Baroda, Kashmir, etc. were represented. Among the items of business before the Chamber were questions relating to mining concessions, railways and telegraphs and the acquisition of land for business purposes. But as the proceedings were held *in camera*, the resolutions etc. cannot be given. The following is the opening speech of the Viceroy.

## H. E. the Viceroy's Address

Your Highnesses,—Two months ago as the representative of His Majesty, I opened for the first time during my period of office, the two great constitutional Chambers of the British Indian Legislature. To-day, it is my pleasant duty to open the Second Session of the Chamber of Princes. In so doing I act as the representative of His Majesty and am privileged to convey to you, as partners in the Empire, his good wishes for the success of your deliberations. But I cannot forget that as Viceroy I stand in a relation of special intimacy to your Chamber as I have the honour to be your President and the right to take part in your discussions. I trust that this bond between us may increase the mutual esteem and regard that have hitherto characterised the relations between the Viceroy and the Princes and which are continued on my side and I hope also on yours. May our Association in this Chamber be fruitful of benefit to your order, to your subjects, to British India and to the Empire—that was the four-fold object His Majesty set before us in his



Proclamation made when the Chamber was inaugurated on his behalf by His Royal Highness the Duke of Connaught ; I know of no more fitting aim. Let us pray that we may attain it.

His Royal Highness' visit comes I think at an opportune moment. The India of the armistice is not even the India of to-day. The reform of the Government of British India has been accompanied by a fresh adjustment of our relations with the States and it is well that the Prince should see for himself something of the change which has come over the spirit of India and the promise of a new, and let us hope, a better life. In that promise the States too have their share.

#### Princes as Counsellors of Viceroy

Few things have impressed me more than the great progress that has been made during the past few years in the direction of giving the States an organic unity and equipping the new organism with the beginnings of a constitution. The old policy of rigid isolation has been abandoned. You meet in a common Chamber for purposes of joint deliberation. Under the charter of your Chamber, which you yourselves helped to draft, the Princes as a body are recognised as the advisors of His Majesty's representative and of the Government of the Crown. Your weight in our counsels is the weight of your united strength and that strength will grow with its exercise.

Your Chancellor and the Standing Committee had two meetings after the close of last session and since then papers have been circulated to them in regard to all matters which were coming before the Chamber. The result of their labours is to be found in the reports and summaries dealing with mining concessions, telegraphs, the acquisition of non-residential immovable property in British India and railways, which form items 4, 8, 9 and 10 on the agenda. These summaries, Your Highnesses will understand, represent the considered opinion of the Standing Committee as to the policy the Govt. of India should pursue in these matters. After the Chamber has recorded its views it will be for my Government to take them into consideration and to make an announcement regarding the policy which will in future be followed. But before such announcement can be made it will be necessary for my Government to discuss the revised summaries with Local Governments and in some cases perhaps to make a reference to the Secretary of State. I will not say any more at present on the subjects dealt with in these summaries. To be perfectly frank, I have not yet had occasion fully to study for myself the issues raised and I shall listen with great interest to Your Highness' discussion of them.



The two last items of business on the programme are the election of the Chancellor and the Standing Committee for the coming year. These offices are no sinecure and the Chamber has, I think, been fortunate in the selections it made last February to fill them. The bulk of the work has naturally fallen on the Chancellor and we are all of us deeply grateful to His Highness the Maharaja of Bikanir for the efficient and business-like manner in which in spite of ill health he has discharged his duties. He has set a noble example to those who come after him. The members of the Standing Committee have also served you well though their duties are naturally less arduous than those of the Chancellor and to them as well as to him you will, I have no doubt, desire to express your gratitude.

I now leave the agenda for a moment to refer to certain other matters which are of interest to the Rulers of Indian States though they do not appear among the subjects for discussion. They are three in number: (1) The Fiscal Commission; (2) the reorganisation of the Forces of Indian States and (3) the protection of the Rulers of States against attacks in the press and on the platform in British India.

I shall be very brief in my remark on all the three subjects.

#### The Fiscal Commission

Your Highnesses have already received intimation of the appointment of the Fiscal Commission and copies of the questionnaire. The question is one of joint concern to British India and the States as, though the revenue from customs is a British Indian receipt, the effect of the fiscal system adopted by Government is felt throughout India and I trust that at any rate those Darbars whose commercial interests are considerable will give the Commission the benefit of their views. The Commission which has been appointed is a strong one. It will consider among other matters the question of a protective tariff for India. This question is one of prime importance both for the consumers and for manufacturers in the States as well as in British India.

#### Reorganisation of State Troops

The scheme for the reorganisation of State troops is progressing rapidly. The Inspector General, Imperial Service Troops, with a specially selected staff officer has already made an extensive tour through the States which now maintain Imperial Service Troops and a number of others which are anxious to take advantage of the new proposals. The scheme is based largely on suggestions made by His Highness the Maharaja of Alwar. He asked Government to start with the assumption that in time of emergency all the



resources of the Indian States in men, money and material would be placed at the disposal of the British Government. Your Highnesses are in possession of the first draft of the proposals and I think you will all agree that the dominant note of the new policy is one of trust,—a trust, I may add, increased by comradeship in battle that was tried and not found wanting. Practical experience in working out the scheme has, I understand, suggested certain alterations and the proposals as they now stand are to be discussed by a Committee of Princes and certain of my officers during the present session. What we have to aim at is greater efficiency both in organisation and in armaments while, with a view to give your Highness' troops a new sphere of activity, they are being offered a definite part in the general scheme of internal security.

#### The Press Act

The third question is one which has, I fear, been giving your Highnesses some anxious thought during the past summer. The Press Act is the only statutory weapon we possess for the protection of Princes against attacks from the press in British India. It is an instrument which was devised for our own protection as well as for yours and it has been used for both purposes. My Government has, however, now decided after full deliberation to discard it on grounds which have been publicly explained. Your Highnesses will realise that it would have been difficult to retain for the benefit of the members of your order a measure of law which was thought unnecessary for His Majesty the King. The grant to Your Highnesses of protection in another form is a matter which will require careful consideration. I alluded to the question in my speech at the opening of the Houses of the Legislature on the 3rd of September and I refer to it again to-day to give Your Highnesses an assurance that it is still engaging my most earnest attention, and, as I observed, it will form the subject of a resolution to be moved by H. H. the Maharaja of Alwar during the course of the deliberations of your Chamber. I shall look forward with the greatest interest to the debate which will take place upon the subject as it will inform my mind and will assist me in coming to conclusions as to the course that should be followed by the Government of India in this respect.

I will now return, if you will allow me, for a brief space before I close, to the agenda list of the session. There is one item on the list which is so significant, so arresting, so typical of the change that the war has wrought that I feel driven to dwell for a moment on the thoughts it suggests. I refer, need I say it, to the first item on the programme, the report which His Highness the Maharaja of Nawanagar is to present in regard to his work on the League of Nations. I shall not anticipate what His Highness will



tell you. I merely ask you to run your memory back to the beginning of the war and to compare your position—the position of your order—then and now. Then your States were isolated and quite separate entities. You had no tie, no common organisation, no collective organ of expression. Not only were you shut out from the world of international affairs but you had no recognised method of ascertaining each other's views on matters affecting the States in general. Now you have your Chamber, and one of your members chosen as a representative on the League of Nations. That, Your Highnesses, is reform in one of its aspects, the creation of a new order of things, strengthening your position, advancing your dignity. But as your horizon widens, new ideas emerge into view. You cannot exclude them. Events are compelling the study of the workings of forms of Government other than your own and the effects which certain forces seem almost inevitably to produce on the beliefs, the feelings and the aspirations of the great masses of mankind. That, Your Highnesses, brings us to reform in another of its aspects, reform as an answer to the awakened consciousness of the people. These forces cannot be bidden to halt. They must be faced and dealt with. I know full well that you have already reflected deeply upon them and that they will continue to engage your attention, so that when they present themselves to you for solution you may know the answer you wish to make.

Reform as it effects Your Highnesses has two aspects, one affecting your relations with the British Government in India and the other your relations with your own people. I am sure that Your Highnesses will already have realised that the place of the Indian States in the India of the future is a problem which it is difficult to solve and requires much thought. It must engage the attention of all Your Highnesses. For the present I will merely ask Your Highnesses to ponder over the problem and to look ahead. We shall need your counsel.

As regards the second aspect of the problem, you will remember that my predecessor Lord Chelmsford referred to the subject of internal reform in the States in his speech at the opening of the Conference in November 1919. That advice was given by one who was a sincere well-wisher of your order. I shall not at this early period of my Viceroyalty attempt to add to it. I merely remind you of it. Lord Chelmsford, though he was so largely responsible for the reforms in British India, made no suggestion that you should copy them. The time and the place and the manner of change, if change there is to be, are in your hands. But the forces with which you have to deal are live forces. They need and they deserve careful study. May you be guided to deal with them prudently and well.



I have dealt at length on the great changes which have taken place in Your Highnesses' position of recent years. The services rendered by you during the war are a matter of glorious history. His Majesty has been graciously pleased to bestow marks of his favour on many individual members of your order, but to day I am authorised by him to announce the grant of a further privilege. For the future, except at installations and investitures, where local custom will continue to be followed, His Imperial Majesty has been pleased to dispense with the presentation of *Nazars* at ceremonial visits or receptions either to himself or to the members of his family or to any of his officers to whom it has hitherto been customary to present them.

And now, Your Highnesses, we shall proceed to our deliberations. I shall value your counsel, particularly of those Princes who are experienced in the administration of their States. As the representative of the King-Emperor, it is my special duty, as it is my privilege, to confer with you who wield the power and bear the responsibility of ruling over your States whose honourable loyalty and devotion to the King Emperor are now both traditional and indisputable, and I trust, indeed I am convinced, that mutual advantage will result and that our combined efforts may add lustre to the history of India. And here at this moment when for the first time it falls to my lot to address the Princes of India assembled in this Chamber, let me assure you that I regard it as an honour and a privilege, that I look to you whose history in many respects is well known to me as it is to all students of India, to assist me as I know you will, to the best of your ability, in discharging the gravely onerous task which has been placed upon my shoulders. The India of to-day is perhaps not easy to govern. I have referred in the earlier part of my address to you to forces that have arisen that cannot be disregarded but must indeed be considered rather as the natural outcome of human progress and which no human agency can ever hold back and it behoves us—I speak of us, that is, you, the Princes of India and myself as the representative of the King-Emperor and the head of the Government of India—to do our utmost so to guide the counsels of those who are at the head of affairs in India that we may be privileged to do our best, one and all of us, in our own spheres at our own time and in our own actions, to do above all that which we believe to be right, to persist in it notwithstanding that it may be adversely criticised, to ponder over the comment that may be made, to judge of all the counsels that may be given but in the end to take the burden upon ourselves of doing what we honestly, earnestly and sincerely believe to be the right course to be followed,



# The Laws of 1922

1. **The Indian Electricity (Amendment) Act.**—In 1903 the first Indian Act regulating the use of electrical energy was passed. It was replaced by another Act in 1910. The increased use of electricity in India has revealed defects in the wording of the Act which are sought to be remedied by the present Act. Sec. 2 of the Act defines 'service line'. Overhead service lines should, like the underground lines, be governed by Sec. 17, clause 2, of the Act (Sec. 3). Where any tree or structure is likely to interfere with an aerial line, the obstruction may be removed by a Magistrate of the First Class in the mofussil or by the Commissioner of Police in the presidency towns (Sec. 5). Sec. 20 of the principal Act has been amended by giving authority to the licensee to cut off the supply of energy to the consumer who refuses to allow the licensee or his authorised employee to enter the premises to perform any of the acts which he is authorised to perform (Sec. 7). Hitherto, a licensee used to make his rules or bye-laws. It is now laid down that all such rules should be previously sanctioned by Government (Sec. 8). A licensee can charge the consumer for energy supplied either by the actual amount of energy supplied or by the electrical quantity contained in the supply; (Sec. 9). A few minor points which cause friction between the consumer and licensee are disposed of (Ss. 11-13). Where an accident occurs in connection with the supply which results, or is likely to result, in loss of life or personal injury, the consumer must give notice of it to the Local Government (Sec. 15). In case of a theft of energy the responsibility rests on the consumer (Sec. 18). A consumer who has his property situated beyond the limit of 100 yards but within the area of supply of the licensee, can, subject to certain conditions, obtain a supply of the current (Sec. 23). A licensee may impose a minimum charge on the consumer irrespective of the actual use of the energy (Sec. 28).

2. **The Indian Factories (Amendment) Act.**—The object of this act is to ameliorate the conditions of labour, as under the recommendations of the International labour conference. The object has been sought to be achieved by raising the maximum and minimum ages of children; by limitation of adult hours in all classes of factories, and by enlarging the definition of "factory." A child's age has been raised from fourteen to fifteen. The definition of the term "factory" now includes concerns which are driven by mechanical power and which employ twenty persons



simultaneously. The Local Government can extend the provisions of the Indian Factories Act to any concern though not driven by power yet which simultaneously employs ten persons (Sec. 2.) The term 'week' is defined as the period between mid-night on Saturday night and midnight on the next Saturday night (Sec. 2) A child can work in a factory only with a certificate from a certifying Surgeon ; but the certificate can be revoked if the child is no longer fit for employment (Sec. 4). Only a "registered paractitioner" can be a "certifying surgeon" under the Act (Sec. 5). Where a child employed in a factory is not fit for employment, the Inspector can compel the child to be re-examined by a certifying Surgeon (Sec. 6). Sec. 9 of the principal Act has been amended by providing that the atmosphere in a factory shall not be rendered so humid by artificial means as to be injurious to the health of employees (Sec. 7). Where an Inspector finds any factory or any part of the ways, works, machinery or plant thereof, dangerous to human life, he shall call upon the manager to remedy the danger (Sec. 9). He can also prohibit the employment of child labour in those parts of a factory which are dangerous to children (Sec. 10). An interval should be given of one hour after six working hours in the case of adults and of half an hour in the case of children working for five hours (Sec. 12). Every workman is entitled to a weekly holiday of a day: generally Sunday is set apart for the purpose ; but the day can be changed provided the workmen get a break in their work once in ten days (Sec. 13). The minimum age of children has been raised from nine to twelve years (Sec. 14). The working hours in each day are limited to eleven hours and a week consists of sixty working hours (Sec. 17). A Local Government may exempt any factory from the provisions of the Indian Factories Act for special reasons ; but for every over-time work, the workman should be paid at a rate which shall be at least twenty-five per cent. more than the ordinary rate. Factory for indigo, tea or coffee can also be exempted from the provisions of Sec. 21 and 22. It will be competent to the Governor General in Council to make rules for disinfection of wool in factories infected with anthrax spores (Sec. 23). The maximum fine under Sec. 43 has been raised from 200 to 500 (Sec. 26).

3. **The Benares Hindu University (Amendment) Act.**—No person who is not a Hindu can be a new member of the first Court of the Benares Hindu University : the existing non-Hindu members are however competent to act on the first Court.

4. **The Special Laws Repeal Act.**—This Act repeals the State Offences Regulations of Bengal and Madras. The State Offences Act of 1857 and the Forfeiture Act of the same year are



also abrogated. The emergency legislation of the Defence of India Act and the infamous Anarchical and Revolutionary Crimes Act (commonly known as the Rowlatt Act) are at last repealed.

5. **The Indian Criminal Law Amendment Repealing Act.**— In keeping with the repeal of State Offences and the other Acts, mentioned above, this Act repeals Part I of the Indian Criminal Law Amendment Act, which provided for a special summary procedure for trial of certain offences.

6. **The Indian Lunacy (Amendment) Act.**— By this Act it is proposed to call a "Lunatic Asylum," a Mental Hospital, for the idea is not to confine a lunatic but to cure him of his malady. If in a particular Lunatic Asylum there happens to be no adequate provision for curative treatment, the Local Government may call upon the person in charge of the Asylum to make it, and on his failure to do so, may cancel the license (Sec. 4). Secondly, it is considered more advantageous to establish central mental hospitals in different parts of India. To make the idea workable, it is enacted that when a lunatic of one province is sent to the mental hospital in another province, the former should bear the cost of keeping him (Sec. 5).

7. **The Indian Emigration Act.**— The main purpose of the present Act is to abolish "indentured emigration", which object was hitherto served by Rule 16 A of the Defence of India Consolidation Rules, 1918. The term 'emigration' is therefore defined as the departure by sea out of British India of any person under an agreement for hire in any country beyond the limits of India and any person who is assisted to depart with the intention of working for hire or engaging in agriculture in any country beyond the limit of India (Sec. 1 (c)). For the control of emigration in future, a Protector of Emigrants is to be appointed (Sec. 3) whose general duties are enumerated (Sec. 4). Government may appoint Medical Inspectors of Emigrants (Sec. 6) ; and also agents to safeguard the interest of emigrants in foreign countries (Sec. 7). It may also appoint advisory committees to assist any Protector of Emigrants (Sec. 8).

It is now enacted that Emigration of unskilled work shall not be lawful except from the ports of Calcutta, Madras, Bombay, Karachi, Negapatam, Tuticorin and Dhanushkodi or from such other port as is declared by the Governor-General in Council (Sec. 9). It can only be to the countries notified by the same authority (Sec. 10). Such emigration is liable to be suspended on the out-break of plague or other epidemic disease dangerous to life (Sec. 11) ; and the suspension may be removed on the cessation of the epidemic (Sec. 12). The Government of India has also the power to stop emigration to any country altogether (Sec. 13).



*Emigration of skilled labour* is also regulated by rules which are laid down. It can only be from ports specified above (Sec. 9). If a person wishes to emigrate skilled workmen, he has to apply for permission to the Local Government (Sec. 16), which may grant the permission (Sec. 17). The employer and the employed should then appear before the Protector of Emigrants who would satisfy himself that the employed have understood the terms of their engagement, and would enter the details in a register kept for the purpose (Sec. 18). A security is to be furnished by the employer which may be returned to him on his observing the terms of his agreement but is liable to be forfeited on his failure to do so (S. 19). The power of the Local Govt. to grant permission may be delegated to the Protector of Emigrants (S. 20). Govt. of India can also prohibit emigration of skilled workers (S. 21). Emigration in contravention of the provisions of this Act is punishable with a fine of Rs. 50; but the person offending against the provisions as to agreements is liable to be punished with a fine of Rs. 500 (S. 25). Fraudulently inducing another to emigrate is punishable with imprisonment which may extend to one year or with fine or with both (S. 26); and false representation of Government authority is punishable by six months' imprisonment, or a fine of Rs. 500 or with both (S. 27).

8 **The Delhi University Act.**—This Act establishes a residential and unitary teaching University at Delhi on the lines of the Benares Hindu University Act. It enacts the constitution of the University and its component bodies. The first regulations of the University are set out in a Schedule and are to remain in force till supplemented and supplanted by the University authorities when constituted.

9. **The Civil Procedure Amendment Act.**—If a person brings a false or vexatious complaint in a Criminal Court, he is liable to pay a compensation of Rs. 50 to each of the accused under Sec. 25 of the Criminal Procedure Code. But no provision existed hitherto to protect a person against false or vexatious claim or defence in a Civil court. It is now enacted by Sec 25A of the Code that a Civil Court, when it is satisfied that a person has put forward a false or vexatious claim or advanced a similar defence, may award compensatory costs extending to Rs. 1,000 (S. 2). The power can, however, be exercised only by a trial Court and can in no event be exercised by a Court of Appeal (S. 4).

10. **The Indian Limitation Amendment Act.**—It was doubtful if the special provisions contained in S. 4, Ss. 9 to 18 and S. 22 of the parent Act applied when a period of limitation was provided by any special or local law. That doubt has now been removed by this enactment and these provisions have been made applicable to the periods of limitations provided by any special or local law.



11. **The Indian Income Tax Act.**—The Act differs essentially from its predecessors. The rates at which the tax is levied are now regulated by the Finance Act enacted every year. The Act has made two innovations. First, the tax for the year is calculated on the income of the foregoing year; this leads to the abolition of the adjustment system. Secondly, composition of the tax is done away with. The rules under the Act are now simplified and made uniform throughout India. The power of reference to the High Court is now a matter of course. Chapter I deals with the charge of income tax. It can be levied in a given year in respect of income, profits and gains, of the previous year (S. 3). Such income, profits and gains will be those derived in British India or received in British India (S. 4). The second Chapter enumerates the Income Tax authorities (S. 5). The third Chapter deals with taxable income. This is divided into six different heads: (1) salaries (S. 7); (2) interest on securities (S. 8); (3) property (S. 9); (4) business (S. 10); (5) professional earnings (S. 11); and (6) other sources (S. 12). Income, profits and gains shall be computed in accordance with the method of accounting regularly employed by the assessee (S. 13). Exemptions of a general nature are next dealt with: *e.g.*, no tax can be levied on a sum received by a co-parcener in a joint Hindu family: nor on any dividend as a shareholder in a Company the gains of which are already assessed to income tax (S. 14.) Premia paid for the assurance of a person or his wife are exempt from assessment (S. 15). Chapter IV concerns itself with deductions and assessments. Income tax on salaries and interest on securities is charged in advance (S. 18); in other cases, it is payable by the assessee direct (S. 19). Where a Company pays income tax direct, it shall issue a certificate to that effect to its shareholders at the time of distributing dividends (S. 20). Every Company is bound to furnish return, in the prescribed form, of the total income of the Company by the first of June every year (S. 22) on the basis of which the tax may be levied (S. 23). If a Company suffers any loss under any of the heads it shall be entitled to a set-off for it against gain under other heads (S. 24.) If a business is discontinued, the assessment will be made for the period for which the business was going on (S. 25). In cases of change of ownership of a business, the incoming man is assessed (S. 26). In case there is any concealment of income, the offender is liable to pay as penalty the sum which he has avoided to pay as tax (S. 28). As soon as the amount of tax is levied, a notice of demand will be served on the assessee (S. 29). Ss. 30-39 deal with appeals. Liability in special cases is considered in the next Chapter. Herein falls the liability of guardians, trustees and agents (S. 40); Courts of Wards



(S. 41) ; and non-residents (S. 42). In the next Chapter, the recovery of tax and penalties is discussed. The date on which the tax is payable is mentioned (S. 45) ; the mode and time of the recovery of the tax (S. 46) and penalties (S. 47) are provided for. Chapter VII treats of refunds (Ss. 48-50). The offences relating to the Income tax Act and penalties attaching thereto are given in S. 51-54. The subject of super-tax is treated in Chapter IX. Rules under the Act may be made only by the Board of Inland Revenue for the whole of India in order to insure uniformity (S. 59). It is within the competence of the Governor General in Council to exempt wholly or partially any class of income from the tax (S. 60). An assessed person is not bound to appear in person before any Income-Tax authority, but can appear by an authorised agent (S. 61). To get a question of law decided the Commissioner may state a case to the High Court for opinion ; or an assessee may compel him to do so on payment of Rs. 100 (S. 66). No suit can lie in a civil Court to set aside or modify an assessment under the Act or in respect of anything done under the Act (S. 67).

12. The Indian Finance Act.—Under the Finance Act of 1922 several new taxes are imposed. The duty on salt is fixed at the rate of Rs. 1-4-0 on a maund. Excise duty on kerosine is levied at the rate of one anna on each imperial gallon. The import Tariff provides that hides and skins, metallic ores, precious stones and unset pearls, oilseed imported from Indian Native States, raw cotton and wool, manures of all sorts, paper pulp, uniforms and accoutrements for the personal use of a public servant, anti-plague serums, quinine, water-lifts, sugar mills and oil presses, current coins of Government, gold and silver bullion, used gunny bags, printed books, living animals, and specimens of natural science, are free of any duty. Ale, beer, porter and cider are chargeable with an import tariff of eight annas per imperial gallon. Denatured spirit is levied with seven and half per cent, while Rs. thirty six per gallon is assessed on perfumed spirit and Rs. 30 on liqueurs, cordials etc. Among wines, champagne has to pay Rs. 9 per gallon ; while other wines have to pay Rs. 11 8-0 per gallon. An all round duty of 25 per cent. is imposed on all sugars. Tobacco unmanufactured has to pay one rupee per pound while manufactured tobacco has to pay double the amount. A duty of 75 per cent. is levied on cigars and cigarettes. Coal, coke and patent fuel have to pay eight annas a ton ; kerosine and motor spirit bear 0-2-6 on each gallon ; while mineral oil carry a seven and half per cent. *ad valorem* duty. Fire-arms bear a graduated scale. Rs. 24 a seer are levied on opium and alkaloids. An *ad valorem* rate of 5 and 11 per cent. is fixed for cotton yarn and piece-goods respectively. Matches



have a duty of Rs. 1-8-0 on every gross of boxes. A general duty of two and half per cent. is imposed on grain and pulse, vinegar in casks, fire-wood, coppers, machinery, lead-sheets, aeroplanes, printing materials, fodder, bran and pollards. An increased rate of 10 per cent is imposed on iron and steel, telegraph instruments, railway materials. A fifteen per cent. duty is imposed on fish and fishmaws, fruits and vegetables, flour, oilman's stores, groceries and provisions, spices, tea, coffee, gums, resins and lacs, tallow and wax, wood and timbers, canes and rattans, cowries and shells, unmanufactured ivory, cutlery and hardware, dyeing and tanning substances, furniture and cabinet ware, paper, paste-board and stationary, yarns and textile fabrics. Also on works of art, brushes, candles, cinematograph films, maps, oilcakes, oil and floor cloth, polishes, rubber-tyres, soap and umbrellas. A thirty per cent. rate is levied on confectionery, gunpowder for cannons, motor cars, clocks and watches, musical instruments, glass bangles and beads, manufactures in gold and silver plate, silk piece goods, fire-works, manufactured ivory, jewellery, pictures, pneumatic rubber tyres, smoker's requisites, and tags. The rates of postage have also been increased. A post card has to pay half an anna, while a letter bears a one anna stamp. The postage on book posts is retained at half an anna for every five tolas in weight. A registered newspaper weighing eight tolas can go in quarter anna stamp; for more than that up to 20 tolas, it has to pay half an anna.

There is an increase in income tax rates. Incomes below Rs. 2,000 are exempt from tax. Incomes from Rs. 2,000 to Rs. 5,000 have to pay five pies in the rupee; those from Rs. 5,000 to Rs. 10,000 pay 6 pies per rupee; and nine pies per rupee on incomes of Rs. 10,000 to Rs. 20,000 to Rs. 30,000. Incomes of Rs. 30,000 to Rs. 40,000 pay 15 pies in the rupee: while a flat rate of 18 pies is imposed on incomes above Rs. 40,000. In the case of companies a general rate of 18 pies is charged irrespective of the amount of income. A graduated scale of super-tax ranging from one anna to six annas is levied on incomes of Rs. 50,000 and above.

13. **The Ranchi Mental Hospital Act.**—The cost of maintaining this hospital was too much for the Bihar and Orissa Government. The Act, therefore, incorporates a Board of Trustees to be elected and selected by various bodies and Governments to manage the Ranchi Mental Hospital, and to receive a loan of three and half lacs of rupees from the Govt. of India to be paid in stated instalments.

14. **The Press Law Repeal and Amendment Act.**—The main object of the Act is to repeal the Indian Press Act of 1910 and the Newspaper (Incitements to Offences) Act 1908. Some of the



provisions of the old Act are, however, kept up. It is now enacted that every copy of the Newspaper must contain the name of the editor. If a wrong name has been published as an editor, such person can make a declaration before the Magistrate to that effect. Two copies of every newspaper must be furnished by the printer to the Government free of cost: failure in this respect is liable to be visited with a fine of Rs. 50. The Sea Customs Act of 1878 is amended by the addition of a new section 181A which empowers the Chief Customs Officer or any other authorised officer to detain any package brought whether by land or by sea containing any seditious matter. It is permissible to the party to apply to the High Court for releasing the package so detained. The Criminal Procedure Code is also amended by the addition of a new S. 99A which enables a Local Government to declare forfeited and to issue search warrant for any newspaper, book or document containing seditious matter. Any person aggrieved by the declaration may apply to the High Court which shall hear the application by a Special Bench composed of three Judges. There are also amendments in the Post Office Act. Any officer of the Post Office may detain any newspaper, book or document which contains seditious matter (S. 27B). The person aggrieved has a right to apply to the High Court.

15. **The Indian Ports (Amendment) Act.**—The Local Government is empowered to make rules prohibiting the employment of children under the age of twelve years at piers, jetties, landing places, wharves, quays, docks, warehouses and sheds in a port.

16. **The Indian Extradition Amendment Act.**—The designation "Imperial Service Troops" is abolished from January 1, 1922. Troops maintained by Indian States are since then known as "Indian State Forces" desertion from which is now made an extradition offence.

17. **The Indian Museum (Amendment) Act.**—The Director General of Archaeology was one of the Trustees of the Indian Museum at Calcutta. As he could not attend all meetings of the Trustees, it is proposed to add the Superintendent, Archaeological section of the Museum, as a Trustee.

18. **The Negotiable Instruments (Amendment) Act.**—S. 131 of the Negotiable Instruments Act provides that a banker who has in good faith and without negligence received payment for a customer of a crossed cheque shall not, in case the title to the cheque proves defective, incur any liability to the true owner of the cheque by reason only of having received such payment. This protection is now extended to a banker who receives payment of a crossed cheque notwithstanding that he credits his customer's account with the amount of the cheque before actually receiving payment.



19. **The Court Fees (Amendment) Act.**—The Act has been amended to negative a recent decision of the Allahabad High Court that no Court fee is leviable under section 4 of the Act in an appeal under the Letters Patent from a judgment of one Judge of the Court. Now full Court fee is leviable on appeals from the judgments of even one or more Judges of a High Court, other than judgments passed in the exercise of ordinary original civil jurisdiction.

20. **The Parsee Marriage and Divorce (Amendment) Act.**—The trials before the Parsi Chief Matrimonial Court at Bombay take place before eleven delegates : whilst those in the district are held before seven delegates. All these delegates must be present throughout the trial and as great delay, difficulty and hardship are caused by these provisions, it is now enacted that nine delegates in the case of the Chief Matrimonial Court and six in the case of other Courts shall form a quorum. And when the delegates are equally divided in opinion, the decision of facts shall be the decision of the presiding Judge.

21. **The official Trustees and Administrator General's (Amendment) Act.**—The Government of India were liable to make good all sums required to discharge any liability which the Official Trustee or the Administrator General was personally liable to discharge, also to pay back any unclaimed assets transferred to their credit and account if a claimant established his claim. Under the new Devolution Rules these subjects are now transferred to the local Governments who are now clothed with the above liability.

22. **The Police (Incitement to Disaffection) Act.**—This act was passed to meet the many sudden resignations from the police force brought about by the N C-O propaganda in 1921. It is now enacted that when a person incites disaffection towards His Majesty or the Government established by law in British India amongst the members of the Police force, or induces any member of it to withhold his services or commit a breach of discipline, he can be sentenced to imprisonment of six months or fine which may extend to two hundred rupees or both (S. 3). Police Associations are exempted (S. 4). No action under the Act can be taken except with the previous sanction of the Commissioner of Police or District Magistrate as the case may be.

23. **The Indian Transfer of ships Restriction (Repealing) Act.**—The restriction which was imposed on the transfer of ships during the war as an emergency legislation has now been removed.

24. **Indian States (Protection against Disaffection) Act** (See p. 724).



*RESOLUTIONS adopted by the COUNCIL OF STATE  
During Delhi Session 1921 and action of Government taken thereon.*

Date.	Moved by.	Subject of Resolution.	Action taken by Government.
14-2-21	Sir Maneckji Byramji Dadabhoi.	Re circulation of speeches by His Royal Highness the Duke of Connaught and His Excellency the Viceroy in the vernaculars.	Given effect to in full.
Do.	The Rt. Hon. V. S. Sastri.	Re repeal of repressive laws ...	Given effect to in full.
21-2-21	Mr. A. C. Chatterjee.	Re Washington Conference—Hours of work in industrial undertaking.	<p>The Bill to amend the Indian Factories Act introduced in the Legislative Assembly in March, 1921, which was intended to give effect to these Resolutions, have been passed in the Assembly.</p> <p>The matter is under the consideration of the Government of India and Local Governments have been addressed on the subject.</p>
Do.	Ditto	Re disinfection of wool ...	
Do.	Ditto	Re lead poisoning ...	
Do.	Ditto	Re minimum age of children ...	
Do.	Ditto	Re creation of employment agencies and provision of advisory boards representative of employers and workers.	
Do.	Ditto	Re recommendation concerning unemployment.	<p>The matter is under consideration of the Government of India and Local Governments have been consulted.</p>
Do.	Ditto	Re Government Health Service ...	



24-2-21	Sir Maneckji Pyramji Dadabhai.	Re Government stocks ...	...	Two Committees were appointed in order to consider how best to give effect to the Resolution. The Reports of the Committees were published with a communique on the 19th September, 1921. As the Resolution referred to Government's future policy it is not yet possible to say how far it has been acted on in full or part.
Do.	Mr. Lalubhai Samaldas	Re Fiscal autonomy ...	...	Given effect to in full.
28-2-21	Maung Po Bye ...	Re Burma Reforms Scheme	...	Action is being taken to give effect to the Resolution. A Committee has been appointed to work out details of the scheme and their report is awaited.
3-3-21	Sir Zulfiqar Ali Khan.	Re religious susceptibilities of His Majesty's subjects.	His	The Resolution was withdrawn, but a copy of the debate and a telegraphic abstract were communicated to the Secretary of State in accordance with the undertaking given by the Hon. the Home Member.
Do.	The Rt. Hon. V. S. Sastri	Re amendment of certain enactments in regard to use of firearms.	...	A Bill to give effect to those parts of the Resolution which were adopted has been passed by the Council of State. It has still to be considered by the Legislative Assembly.
9-3-21	Sardar Jogendra Singh	Re export of food grains ...	...	Partial effect has been given by the removal of all restrictions on the export of rice from Burma.
26-3-21	Mr. Vaman Gobind Kale.	Re indemnities and reparations from Germany.	...	Given effect to in full.
Do.	Lala Sukhbir Sinha	Re examination of magistrates and Members of the Indian Legislature from the operation of the Arms Act.	...	Local Governments have been addressed in accordance with the undertaking given by the Honourable the Home Member. Replies from Local Govts. are not yet complete.



## TABLE OF RESOLUTIONS

[SIMLA

*OFFICIAL RESOLUTIONS adopted by the COUNCIL OF STATE  
During the Simla Sessions 1921 and action of Govt. taken thereon.*

Date.	Moved by.	Subject of resolution.	Action taken by Government.
27-9-21	Mr. H. A. J. Lindsey	Limitation of hours of work in fishing industry.	Given effect to in full
		Establishment of National Seamen's Code.	Ditto
		Unemployment insurance for seamen.	Ditto
Do.	Do.	Minimum age for admission of children to employment at sea.	The Government of India have ratified the Draft Convention of the Geneva Conference. Steps are now being taken to make the provisions of the Convention effective.
		Unemployment indemnity in case of loss or foundering of a ship.	The Govt. of India have undertaken the inquiries referred to in the Resolution.
		Facilities for finding employment for seamen.	It has been decided to appoint a small Committee to undertake the suggested inquiries. The preliminary work of the Committee has already been commenced.



**NON-OFFICIAL RESOLUTIONS adopted by the COUNCIL OF STATE**  
*During the Simla Sessions 1921 and action of Govt. taken thereon.*

Date.	Moved by.	Subject of Resolution.	Action taken by Government.
5-9-21	Sir Maneckji B Dadabhai.	Address of Welcome to His Royal Highness the Prince of Wales.	Necessary action was taken in the matter.
Do.	Maharaja of Darbhanga	Welcome to Lord Reading on his assumption of office.	Do.
17-9-21	Mr F. C. Setliff	Cecil Rhodes Scholarships	do.
<p>A copy of the Resolution was forwarded to the India Office on the 6th October, 1921, for the favourable consideration of the Secretary of State. Attention was also invited to the debate in the Council of State. The Secretary of State brought the Resolution to the notice of the Rhodes Trustees, who informed him that the scholarships originally allotted to Germany have long since been bestowed elsewhere and that there is no possibility in present circumstances of creating further scholarships. The Secretary of State has, however, desired the Trustees to place on record his very earnest hope that at any future creation of scholarships under the Cecil Rhodes Scholarship Settlement, the claims of India to participate in the award will receive their special consideration.</p>			
17-9-21	Lala Sukhlal Sinha	Stoppage of export of wheat	Full effect had already been given to the first portion of the Resolution, but no further action was considered possible with regard to the latter portion.



**NON-OFFICIAL RESOLUTIONS adopted by the COUNCIL OF STATE**  
*during the Simla Session 1921 and action of Govt. taken thereon.*

**TABLE OF RESOLUTIONS**

[SIMLA

Date.	Moved by	Subject of Resolution.	Action taken by Government.
22-9-21	Sardar Jogendra Singh	Effect to be given to the Report of the Sugar Committee.	The attention of Local Governments has been drawn to matters which are primarily their concern. Owing to financial stringency, the Central Government is unable at present to proceed with the scheme for a Research Institute and a Sugar Board. Local Governments are being asked for their views on the Committee's suggestion that research stations in the Provinces should be under the Central Government's control. Measures are being taken with a view to the establishment of a Sugar School and factory on such a scale as financial considerations may permit. The views of the Central Government regarding the acquisition of land for Sugar Factories will be communicated very shortly to the Local Governments.
Do.	Mr. Lalubhai Samaldas	Equality of status for Indians in East Africa.	The Resolution has been brought to the notice of the Secretary of State in connection with the East Africa controversy.
23-9-21	Dr. Gangana th Jha ...	Uniform system of weights and measures.	Given effect to in full, VIDE Resolution No. 9, dated the 3rd January, 1922, published in the Supplement to the GAZETTE OF INDIA of the 7th IDEM.



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24-9-21	Mr. V. G. Kale	...	Equality of status for Indians in South Africa.	In a despatch to the Union Government communicating the views of the Government of India on the recommendations of the South Africa Asiatic Inquiry Com. report reference has been made to this Resolution.
26-9-21	Saiyid Raza Ali	...	Appointment of Indians to posts of Secretary, Joint Secretary and Deputy Secretary.	ARMY (AND MARINE) DEPARTMENT has noted the recommendation.
				EDUCATION DEPARTMENT already has an Indian Deputy Secretary.
				FOREIGN AND POLITICAL DEPARTMENT.—The Political Department has recently been thrown open to Indians and they will consequently now have opportunities to qualify for the posts in question. The recommendation has been noted.
				PUBLIC WORKS DEPARTMENT.—Local Governments who supply officers for the posts in question, have been asked to take the action considered necessary.
				N.B.—There are no posts of Joint Secretary in the Army, Education and Health and Public Works Departments.
26-9-21	Mr. P. C. Sethna		Administration of Aden by the Government of India.	The Resolution was transmitted to the Secretary of State.
29-9-21	Mr. Lalubhai Samaldas.		Purchase of Stores from England	Instructions have been sent to the High Commissioner for India in the United Kingdom
29-9-21	Mr. G. S. Khaparde.		Abolition of piece system in Government pressee.	A Committee has already been appointed to take evidence and to make recommendations for the consideration of Government. The report of the Committee is awaited.



## TABLE OF RESOLUTIONS

[DELHI

*RESOLUTIONS adopted by the LEGISLATIVE ASSEMBLY  
During Delhi Session 1921 and action of Government taken thereon.*

Date	Moved by	Subject of Resolution.	Action taken by Government.
15-2-'21	Mr. Jamnadas Dwarkadas.	RE Martial Law Administration in the Punjab.	Given effect to in full.
17 "	Mr. W. M. Hussainally.	RE Listed Posts in the Indian Civil Service.	Local Government have been asked to consider whether the number of listed posts cannot be increased.
Do.	Rao Bahadur T. Rangachariar,	RE Third Class Passengers.	Has been adopted with slight modifications by the more important railways wherever considered necessary.
Do.	Sir P. S. Sivaswamy Aiyer.	RE Army in India.	A copy of the Resolution together with a copy of the Resolution as adopted by the Assembly was forwarded to the Secretary of State for his information.
19-2-'21	Sir T. Holland.	RE Hours of work on the draft Convention of the Washington Labour Conference.	The Bill to amend the Indian Factories Act introduced in the Legislative Assembly in March, 1921, which was intended to give effect to those Resolutions, has been passed in the Assembly.
Do.	Do.	RE Disinfection of wool and protection of women and children from lead poisoning.	
Do.	Do.	RE Minimum age of admission of children in Industrial employment.	



19-2-'21 Sir T. Holland.	RE Washington Labour Conference Employment Agencies and unemployment.	The matter is under the consideration of the Government of India and Local Governments have been addressed on the subject.
Do. Do.	RE Establishment of Health Service.	The matter is under the consideration of the Government of India and the Local Governments have been consulted.
22-2-'21 Mr. S. P. O'Donnell	RE Press Legislations	Given effect to in full.
24 " Munshi Iswar Saran	RE Creation of an Indian Bar	Local Governments and public bodies have been consulted. Replies are being received.
Do. Mr. B. S. Kamat	RE Reports of Commissions and Committees.	Given effect to in full.
1-3-'21 Mr. N. M. Joshi	RE Legislation for Registration of Trade Unions.	The matter is under consideration and Local Governments have been addressed.
2 " Dr. Nand Lal	RE Export of Cattle.	Local Governments were addressed with regard to the step which should be taken to give effect to the resolution and their replies are now under consideration and it is hoped that a decision will be reached very shortly.
Do. Rai J. N. Majumdar, Bahadur.	RE Equality of Status of two Chambers.	Given effect to with modifications.



## TABLE OF RESOLUTIONS

[DELHI

*RESOLUTIONS adopted by the LEGISLATIVE ASSEMBLY  
During Delhi Session 1921 and action of Government taken thereon—contd.*

Date.	Moved by.	Subject of Resolution.	Action taken by Government.
5-3-21	Babu Braja Sundar Das.	RE Bihar and Orissa Executive Council.	The question of giving effect to this Resolution will be considered on the retirement of the Honourable Sir Havilland LeMesurier.
7-3-21	Chaudhri Shahab-ud-Din.	RE Select Committee on Esher Committee's Report.	A Select Committee considered the Esher Committee's Report and their recommendations were communicated to the Secretary of State.
23-3-21	Mr. J. K. N. Kabiraji.	RE Execution of the Programme of New Delhi Works.	Given effect to in full so far as the year 1921 is concerned. The Government of India propose to fix the demand to be presented to the Assembly for next year's expenditure at 2 crores and should the demand be passed the Resolution will have been given effect to so far as 1922-23 is concerned. Given effect to in full. Local Governments, High Courts, etc., have been addressed and their opinions are now being received. ....
Do.	Dr. Nand Lal ..	RE Repressive Measures ..	
26-3-21	Dr. H. S. Gour ..	RE Ultimate Court of Appeal in India	
28-3-21	Sir P. S. Sivaswamy Aiyer.	14 Resolutions RE Esher Committee's Report.	



RE Equipment and organization of the Indian Army.	A copy of the Resolution was communicated to the Secretary of State for India. Every effort is being made to equip and organize the Indian Army in the same manner as the British Army. The Resolution was communicated to the Secretary of State.
RE employment of Army in India for service outside the external frontiers of India.	The matter has been referred to the Secretary of State for India.
RE the appointment of a Surveyor-General of Supply.	The matter has been referred to the Secretary of State for India.
RE the appointment of Commander-in-Chief and Senior Staff Officers in India.	This has been approved by the Secretary of State for India.
RE the Commander-in-Chief's right to correspond with the Chief of the Imperial General Staff.	The matter has been referred to the Secretary of State for India.
RE the admission of Indian subjects to all arms of His Majesty's Military, Naval and Air forces in India.	The Secretary of State has sanctioned the establishment of a Military College at Dehra Dun which will be shortly opened.
RE the establishment of a Royal Military College in India.	The matter is under the consideration of the Government of India.
RE the fixation of the pay of, all commissioned ranks in all branches of the army with an overseas allowance.	



## TABLE OF RESOLUTIONS

[DELHI

*Delhi Session 1921 and action of Government taken thereon—contd.*

By whom	Subject of Resolution.	Action taken by Government.
	Re the formation of a Territorial Force, etc.	The Resolution has been given effect to by the Government.
	Re the grant of the rank of Lieut.-Colonel, or higher rank, to the officers in the Indian Territorial Force.	The matter is under consideration by the Government of India and the Secretary of State.
	Re the interchange of officers between British and Indian Services.	The matter has been referred to the Secretary of State for India.
	Re the reduction of the administrative staff at Army Headquarters.	The Resolution will be given effect to as soon as conditions will permit of it.
	Re the appointment of a Committee to report upon the best method of giving effect to the natural rights and aspirations of the people of India for the attainment of full responsible Government.	All the points in the Resolution were discussed by the Military Requirements Committee.
	Re the inclusion of 'Anglo-Indians' in the terms of 'Indian subjects' or 'Indians'	Not given effect to.



**RESOLUTIONS adopted by the LEGISLATIVE ASSEMBLY**  
*During the Simla Sessions 1921 and action of Government taken thereon.*

Date.	Moved by.	Subject of Resolution.	Action taken by Government.
26-9-21	Hon. Mr. C. A. Bhaer.	Limitation of hours of work in fishing industry. Establishment of National Seamen's Code. Unemployment insurance for seamen. Minimum age for admission of children to employment at sea.	Given effect to in full:  Ditto  Ditto
Do.	Do.	Unemployment indemnity in case of loss or foundering of a ship. Facilities for finding employment for seamen.	The Government of India have ratified the Draft Convention of the Genoa Conference. Steps are now being taken to make the provisions of the Convention effective.  The Government of India have undertaken the inquiries referred to in the Resolution.  It has been decided to appoint a small Committee to undertake the suggested inquiries, The Preliminary work of the Committee has already been commenced.
30-9-21	Do.	Appointment of a Committee to consider the Railway Committee's Report.	Committee was appointed to consider the Financial recommendations of the Report and has submitted its conclusions.
Do.	Hon. Sir Malcolm Hailey.	Contribution by the Government of Bengal to the Governor-General in Council	Full effect has been given to the Resolution.



## TABLE OF RESOLUTIONS

[DELHI]

*RESOLUTIONS adopted by the COUNCIL OF STATE  
During Delhi Session, 1922, and action of Government taken thereon.*

Date.	Moved by.	Subject of Resolution.	Action taken by Government.
1-1-22	The Honble. Mr. Phiroze Sethna.	Increase in the appointment of Indians in Port Trusts.	The Resolution has been accepted by the Government of India and the views of the Maritime Local Govern- ments have been invited. Replies are still awaited.
1-1-22	The Hon. Mr. S. P. O'Donnell.	Suppression of Traffic in Women and Children	The International Convention adopt- ed by the second Assembly of the League of Nations was duly signed at Geneva on behalf of the Govern- ment of India on the 28th March 1922 by the British Minister at Berne, with the necessary reserva- tion in regard to Article 5 of the Convention.
1-2-22	The Hon. Mr. Lahu- bhai Samaldas.	Carriage of Human beings in Cattle Trucks.	Copies of the Resolution were for- warded to Railways with the request that effect be given to its terms as far as practicable and that in the cases of company worked Railways, a copy of the Resolution should be communicated to the Boards of Directors.



13-2-'22	The Hon. Lala Ram Saran Das.	Maintenance of separate accounts for Military and Strategic Railways.	The question is being put by the Railway Department before the Central Advisory Council for Railways.
13-2-'22	The Honourable Khan (Now Sir) Ahmedthamby Maricair.	Opening of the Port of Madras for pilgrim traffic.	A copy of the Resolution and Debate thereon was forwarded to the Madras Government on the 20th March 1922 and they were asked to submit proposals for giving effect to the Resolution, together with an estimate of the Central and Provincial expenditure involved. No reply has yet been received from the Local Government.
22-2-'22	The Hon. Mr. Phiroze Sethna.	Congratulations to Her Royal Highness Princess Mary on the occasion of her Marriage.	Effect was given to this Resolution. A message conveying Her Royal Highness's warm appreciation of the congratulations of the Council of State was read out in the House by the President on the 8th March 1922.
22-2-'22	The Hon. Mr. V. G. Kale.	Indianization of State-managed Railways.	The matter was again impressed on Railway Administrations and with a view to ascertain the progress made in increasing the number of Indians in the higher grades, Agents have been asked to furnish half-yearly statement showing the number of such appointments made.
22-2-'22	The Hon. Mr. Lalbhai Samaldas.	7 per cent. Sterling Loan.	The Resolution was communicated to the Secretary of State in Council.



**RESOLUTIONS adopted by the COUNCIL OF STATE**  
*During Delhi Session, 1922, and the action taken by Government thereon—contd.*

Date.	Moved by.	Subject of Resolution.	Action taken by Government.
23-2-'22	The Hon. Mr. Lalubhai Samaldas.	Status of Indians in East Africa.	The Resolution was brought to the notice of His Majesty's Secretary of State for India in connection with the negotiations that are proceeding on the subject of the position of Indians in Kenya.
27-2-'22	The Hon. Lala Sukhbir Sinha,	Reduction of Provincial Contributions.	The whole question was discussed by the Government of India at a Conference held in Simla in April 1922 which was attended by the Secretaries and Finance Members of all the provincial Governments and the conclusions reached at the Conference were reported to the Secretary of State. His orders are awaited. Effect has been given to this Resolution.
15-3-'22	The Honourable Sir Maneckji Dadabhoy.	Resignation by the Rt. Honourable E. S. Montagu of his office of Secretary of State for India.	The Resolution has been accepted by the Government of India and the authorities concerned have been asked, where possible, in future, to give Indian Shipping Companies an opportunity for tendering for the carriage of Government stores.
15-3-'22	The Hon. Mr. Lalubhai Samaldas.	Carriage of Government and Railway materials by Indian Shipping Companies.	



16-3-'22 The Hon. Mr. Lalubhai Samaldas. Ship-building Industry in India.

22-3-'22 The Hon. Mr. V. G. Kale. Remittance Transaction.

(A) The Statement referred to in the Resolution is under preparation and will be laid on the table as soon as ready.

(B) The figures of the current year's Budget with exchange figures distributed over the several heads of account have already been published with Government of India Finance Department Resolution No. 1707-F., dated 21st July 1922. The method of the exhibition of exchange in future Budgets is under consideration and a decision will be arrived at before the next Budget.



## TABLE OF RESOLUTIONS

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\* RESOLUTIONS adopted by the LEGISLATIVE ASSEMBLY  
During the Delhi Session, 1922, and action of Government taken thereon

Date.	Moved by.	Subject of Resolution.	Action taken by Government.
12-1-22	Rai Sabib Lakshmi Narayan Lal.	Utilisation of the indigenous systems of medicine.	The Proceedings relating to this Resolution were sent on 27th February 1922 to Local Governments and Administrations for any action which might be considered necessary. (Nothing can be done by the Government of India until the Imperial Research Institute is completed.)
2-1-22	Sir P. S. Sivaswamy Aiyar.	Indian Mercantile Marine ... ..	The Resolution has been accepted by the Government of India and it is proposed to appoint the Committee during the forthcoming cold weather. Questions relating to personnel, etc., are at present under consideration and the Legislative Assembly will be asked to vote a supplementary grant to meet the cost of the Committee.
12-1-22	Rai Bahadur C. S. Subrahmanayam.	Prevention of overcrowding on railways	Railways and Government Inspectors have been specially addressed on the subject (letter No. 55-T-17, dated the 23rd January 1922).
19-1-22	Babu K. C. Neogy ...	Elected Standing Committees with the different Departments of the Government of India.	It has been decided to appoint Standing Committees for subjects in certain Departments. Draft rules relating to these Committees are under consideration.



24-1-22	Mr. N. M. Joshi	...	Abolition of impressed labour, conveyance and provision.	The results of the examination of the subject which the Government of India have made have been communicated to Local Governments of Governors' provinces and the Chief Commissioner, North-West Frontier Province, for consideration. The military aspect of the subject is still under consideration.
26-1-22	Mr. P. P. Ginwala	...	Abolition of distinctions between votable and non-votable in the Budget.	The question as to whether the Governor-General has the power to direct that the non-votable portion of the Budget shall be submitted to the vote of the Assembly under Section 67A (3) of the Government of India Act was referred to the Law Officers of the Crown for a decision and they held that the Governor-General had no such power. No action could therefore be taken on the Resolution.
1-2-22	Mr. N. M. Joshi	...	Women's Franchise	Effect has been given to this Resolution.
3-2-22	Dr. H. S. Gour	...	Committee on Retrenchment	A Committee will shortly assemble in order to report on the possibility of effecting economy in central expenditure.
7-2-22	The Honourable Sir W. Vincent.	Sir	Suppression of traffic in women and children.	The International Convention adopted by the second Assembly of the League of Nations was duly signed at Genoa on behalf of the Government of India, on 28th March 1922 by the British Minister at Rome, with the necessary reservation in regard to Article 5 of the Convention.



## TABLE OF RESOLUTIONS

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## RESOLUTIONS adopted by the LEGISLATIVE ASSEMBLY

During the Delhi Session, 1922 and action of Government taken thereon—contd.

Date.	Moved by	Subject of Resolution.	Action taken by Government.
8-2-22	Baba Ujagar Singh Bedi	Committee on New Arms Rules, 1920	A Committee has been appointed by the Governor-General in Council and commenced its sittings on the 18th July 1922. From that date to the 26th IDEM the Committee examined a number of Official and Non-Official witnesses and also considered memoranda received from various Associations, Public Bodies and individual members of the general public. The Committee then adjourned till some date to be fixed in September next when it will meet to consider and frame its report.
9-2-22	Mr. K. B. L. Agnibotri	Equality of status for Indians in South Africa.	The Resolution was communicated to His Majesty's Secretary of State for India and a Press Communique was also issued.
11-2-22	Mr. Jamnadas Dwarkadas.	Indianisation of the Services.	Local Governments were addressed on 30th May 1922. Their replies are awaited.
23-2-22	Mr. N. M. Samarth	Technical training of Indian and Anglo-Indian youths.	The question of the admissibility of expenditure from Central revenues on technical scholarships has been carefully examined in consultation with the Auditor-General and with the several Departments dealing with the subject named in the resolution. The subject of the resolution was also discussed



at the Conference of Departments of Industries held in April last in order that the question of the extent to which local Governments were giving technical scholarships and were prepared to do so in the future might be examined. The subject is being further examined by the Government of India, and they hope shortly to be in a position to make definite recommendations.

India's participation in the British Empire Exhibition to be held in 1924.

27-2-22 The Honourable Mr.  
C. A. Innes.

The Government of India have received replies from the majority of local Governments and a number of Indian States on the subject of participation in the Exhibition, but in most cases definite guarantees to participate cannot be given by the provinces until, their respective Legislative Councils have had an opportunity of deciding whether funds can be voted or not. In the meantime, the Government of India have appointed a Commissioner for all-India who, after a short period of duty in India, during which he was able to consult with and advise the Government of Madras and Bombay and the Darbars of certain Indian States, has proceeded to London to make the preliminary arrangements for the erection of buildings and to settle other details in consultation with the High Commissioner for India, the Indian Trade Commissioner and Advisory Committee for India which has been appointed in London.



## TABLE OF RESOLUTIONS

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**RESOLUTIONS adopted by the LEGISLATIVE ASSEMBLY**  
*During the Delhi Session, 1922 and action of Government taken thereon—contd.*

Date.	Moved by	Subject of Resolution.	Action taken by Government.
27-2-22	Dr. H. S. Gour	Prohibition of traffic in minor girls ...	It has been decided to introduce a Bill to give effect to this Resolution as soon as possible. The Legislative Department were asked to furnish the Home Department by the middle of July last, with a précis of opinions received on the Bill circulated in 1914, in order to enable the Government of India to decide the policy and the lines on which the old Bill is to be modified. That précis is awaited.
2-3-22	Sir V. D. Thackersey	Establishment of Railway Industries in India.	In pursuance of the Resolution a Committee was appointed in March last. The Committee held two meetings during the last session of the Legislature. It was to have held its final meeting in June but as the Chairman considered that it would be of great help to the Committee to see the Report of the Fiscal Commission before it submitted its own report, the meeting has been postponed until September.
9-3-22	Rao Bahadur C. S. Subrahmanayam.	Committee on Railway Risk Notes ...	The Committee has been formed and the question of the revision of Risk Notes is being examined by it.



The proceedings relating to this Resolution were sent to the Government of Bengal on 20th May 1922, and they were asked to submit their proposals for giving effect to the Resolution, together with an estimate of the recurring and non-recurring expenditure which the scheme would impose on Central and Provincial revenues, respectively. (No reply has been received yet.)

Effect has been given to this Resolution.

Part of the Resolution relating to Capital expenditure during the next five years of Rs. 150 crores was accepted and the amount distributed to the railways concerned. The second part relating to separation of railway finance from general finance is to be taken up in the September Session.

Opening of the Ports of Chittagong and Calcutta to pilgrim traffic.

Resignation of Mr. Montagu.

Adoption of the Railway Finance Committee's proposals.

4-3-22 Haji Wajihuddin ...

25-3-22 Mr. N. M. Samarth ...

27-3-22 The Honourable Mr.  
C. A. Innes







# Reports Etc. 1921-22

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FOR  
THE REPORTS OF THE  
Press Act Committee 1921  
Repressive Laws Committee 1921  
Railway Committee 1921  
THE RESOLUTION OF  
The Govt. of India on Public Services

*SEE VOL I Pp. 433—486*



# The Munitions Fraud Case

(For the details of the case, see Vol I page 259)

The Government of India in the Industries Department issued a lengthy statement reviewing the Munitions Board Case.

It appeared that Sir Thomas Holland first consulted a D. I. G. of Police on special duty on the question of withdrawing the case and afterwards two members of Council who agreed to the withdrawal, only apparently to avoid protracting the proceedings.

It was pointed out that the Chief Controller, Surplus Stores, the officer best acquainted with the papers, was then absent on tour, and hence Sir Thomas Holland had to deal with the matter himself.

The Government in conclusion emphasised that it was impossible to justify the withdrawal of the case on the grounds given. The withdrawal however was then irrevocable.

The Government also condemned the assertion of the guilt of the accused when the case was being withdrawn.

The following is the text of the communique :—

1. The attention which has been directed both in India and England to the withdrawal of Government from the prosecution in what is known as the Munitions Fraud Case, makes it incumbent on the Governor General-in-Council to state the circumstances attending that withdrawal and at the same time to declare his attitude regarding certain aspects of the case and in particular the reason assigned in Court for the action taken.

## The Facts of the case

2. The main facts on which the prosecution was initiated have been prominently before the public and do not require a re-statement at any length. Four persons, namely, C. S. Waite, Rai Bahadur Sukhlal Karnani, J. C. Banerjee and H. Stringer, were implicated. The charge was one of conspiring to cheat in regard to the supply of a quantity of wire rope to the Munitions Board in August, 1918. The original decision to prosecute these four persons was arrived at by the Board of Industries and Munitions in the summer of 1920. That decision was taken with the cognisance of the Government of India. The actual inception of the prosecution in India was delayed by the proceedings for the extradition of C. S. Waite, and though orders to this effect were eventually secured his transfer to India



has up to date been delayed owing to the condition of his health. While the extradition proceedings were still in progress a certain measure of sympathy had manifested itself in favour of the accused among some sections of the public, particularly in Calcutta. Sukhlal Karnani is the Managing Director of the Karnani Industrial Bank, an institution which is understood to finance a number of minor industrial undertakings. J. C. Banerjee is also connected with various industries in Bengal. A number of meetings were held at which it was represented that the prosecution of these two accused would involve serious consequences to indigenous industries in Bengal. Much publicity was given to the fact that one of them had made considerable gifts to War charities and that his generosity in this respect had been recognised by Government.

3. The Board of Industries and Munitions ceased to exist as a separate body in February, 1921. While many of its functions were taken over by the newly constituted Department of Industries the work connected with the closing of the war commitments of the late Munitions Board (among which this case was included) was by a Resolution of the Government of India allotted to a separate temporary organisation under the Chief Controller, Surplus Stores, responsible to the Member-in-charge, the Hon. Sir Thomas Holland. The case did not therefore come within the scope of the regular proceedings of the Industries Department. Prosecution having once been decided on the arrangements necessary for the conduct of the case did not call for any further reference to the Governor General or the Orders of Council, and it was not until the developments about to be described occurred and which resulted in a modification of the original decision that the ordinary rules of procedure necessitated such further reference. The failure to seek these orders is a regrettable fact in the history of this incident and the progress of the case at this stage must be given in some detail. Sir Thomas Holland in the full and unreserved explanation of his conduct of the case which he has rendered to the Governor-General states that up to June last he was himself convinced of the desirability of continuing the prosecution, having discounted the agitation in favour of its withdrawal. In June, however, during a visit to Calcutta he was informed that the Karnani Industrial Bank was already suffering seriously in credit owing to the prosecution and was furnished with details showing heavy withdrawals stated to be due to the same cause. He was also informed that a number of the Directors had resigned their seats on the Board, that the Bank financed no less than one hundred and twenty Indian industrial concerns, and that if it were unable to continue to finance them they would fail with all the attendant consequences of distress and



discontent. On the question of fact it may be stated here that the Bank, which was registered in 1919, has an authorised capital of five crores of which three have been issued but only sixty lakhs paid up. Sir Thomas Holland did not, however, at that stage see sufficient reason to change his view of the case. Sukhlal Karnani had at the time a contested claim against Government amounting to over two lakhs of rupees for the supply of munitions unconnected with the present case and the Hon. Member had made it clear to those who approached him in the matter that Government would not consider the question of withdrawal so long as a suit for these claims was threatened.

4. Early in July intimation was received from the solicitors of Sukhlal Karnani withdrawing "without prejudice" but at the same time without conditions the civil claim preferred by him, and soon after the receipt of this intimation the Hon. Member called for a fresh appreciation of the situation from the Deputy-Inspector-General of Police who had been placed on special duty at Calcutta for the investigation and conduct of the case. He was consulted on the advisability of withdrawing from the prosecution of Sukhlal and as to the consequences which such withdrawal would involve in regard to the other accused in this and similar cases then pending, but he was informed that it was thought unnecessary at that stage for him to consult the counsel on the matter. The counsel in charge of the case on behalf of Government was the advocate-General of Bengal with whom was associated Mr. C. Ross Alston, Barrister at Law, Allahabad. The reply to the letter, while dealing with the general considerations above indicated, called attention to the conclusion at which the Deputy-Inspector-General had himself now arrived and which he stated to be also the opinion of counsel that the case as now developed could not be disposed of by a Magistrate but would in all probability have to take the more protracted and in consequence far more costly course of a sessions trial. This fact inevitably introduced some element of uncertainty as to the issue, more particularly in a complicated case of this description. The circumstances seemed to Sir Thomas Holland to point to the advisability of some reconsideration of the case and he therefore consulted two of his colleagues on the Council. It is not consonant with the practice of the Government of India or with the constitutional position on which that practice is based either to disclose the identity or to publish the individual views of the members of Government who have taken part in its proceedings. But it is fair to state on this occasion that both of the colleagues consulted by the Hon'ble Member agreed to the withdrawal, though not on wholly identical grounds. It should further be noted that at this stage of



the proceedings the Chief Controller, Surplus Stores, was absent on tour and as the case was due for hearing on the 30th July it was necessary for Sir Thomas Holland to deal with the matter himself without the advice of the officer best acquainted with the proceedings papers. In doing so he made it clear that he was in his own mind much influenced by the information he had received regarding the possible effect on the concerns connected with the Industrial Bank which might ensue from the failure of the latter. If the prosecution succeeded he thought that Government might suffer from the sinister imputation that it had deliberately done harm to Indian industrial development by striking at this bank, while if it eventually failed Government would have to face the additional criticism that it had unjustifiably wasted public money. In any case he considered that a protracted trial would disturb the public mind and create many additional enemies of Government. Sir Thomas Holland thereupon decided to withdraw from the prosecution and an official letter was on the 21st July addressed to the officer in charge of the case at Calcutta stating that the Government of India having been made aware that the prosecution might seriously affect widespread commercial and industrial interests had decided that it would be good in the public interest to withdraw from it. He was accordingly directed to instruct the Public Prosecutor to present the necessary application to the Court for permission to withdraw on the grounds above stated. An adjournment of the case having been secured, a consultation took place between the Deputy Inspector-General of Police and the two Counsel in Calcutta. It will be clear that the withdrawal had been announced to Counsel as a decision already arrived at and the consultation referred chiefly to the manner in which that decision should be announced. It is proper to state also that the Advocate General has subsequently announced that had he been consulted he would not have advised withdrawal. No copy of the precise statement which Counsel finally agreed to make in Court was received in Simla, but it should be noted that the Officer in charge of the case had forwarded a letter, dated the 1st of August, from the Advocate General in which the latter stated his desire to make it clear that the prosecution was not withdrawing because it could not prove the case. He had advised the prosecution and in justice to himself and to the police who had worked on the case, he thought that something of the sort should be said in Court. He requested that a copy of his letter should be sent to Simla, and instructions asked for by wire. The telegraphic instructions issued to the Deputy Inspector-General on the 4th of August which may be taken as the final order relating to the case may be quoted in full : "Government agree to withdrawal on the ground that the prosecu-



tion will result in widespread financial disturbances but as Government may be challenged in Assembly regarding cost of proceedings to date it seems desirable unless Counsel definitely advise the contrary to make the fuller explanatory statement of case as such statements cannot be made after Magistrate permits withdrawal."

The allusion to the fuller explanatory statement of the case was intended to refer to a statement of the facts drafted by Mr. Ross Alston. Government at a subsequent date received a copy of the full instructions given to the Advocate General on the early morning of the 5th August (the date of the adjourned hearing) by the Deputy-Inspector-General after consultation with Mr. Ross Alston. This also may be quoted in full since it will be seen that it employs a somewhat different terminology from that used in the other issued from the Department: "The Government of India desire that the case should be opened with sufficient detail to show the strength of the prosecution and that it should be stated that the Government of India have been informed from various sources that if the prosecution of Karnani and Banerjee were proceeded with widespread commercial and industrial interests would be seriously affected by reason of the association of these persons with various business concerns, many of a *Swadeshi* character. Influenced by this consideration the Government have come to the conclusion that in the interests of the public it is not advisable to proceed with the prosecution against Sukhlal and Banerjee. The Government consider that it is preferable that these men though guilty should escape punishment than that a large number of innocent persons should suffer loss."

It is to be regretted that the telegram despatched on the 4th did not deal definitely with the passage above mentioned in the Advocate-General's letter of the 1st August in which he expressed his desire to emphasise the fact that Government was not retiring from the prosecution because it could not prove its case.

#### *The conclusions of the Governor-General in Council*

6. The Governor-General in Council has now set forth the material facts relating to this case and to the circumstances under which the prosecution was withdrawn. He regrets, however, that it is impossible to confine the treatment of the matter to a simple recital of the facts. He considers that it is incumbent on Government to state whether it accepts the responsibility for withdrawal from this case and in particular for the ground put forward for such withdrawal. He further considers it necessary to examine the question whether the existing procedure of Government is such as to provide an adequate safeguard against a purely Departmental decision in a matter of public importance such as this under discussion. Finally, he thinks it necessary to state whether, apart from the



merits of the decision arrived at, Government is prepared to endorse the action taken in Court which resulted in a strong expression of the guilt of the accused in spite of the fact that it was intended to withdraw from the prosecution.

7. The preceding statement of the facts will have made it clear that the withdrawal from the prosecution cannot be treated as the result of a considered decision by the Governor-General-in-Council. Sir Thomas Holland has from the outset unreservedly accepted full responsibility for the action taken and has in particular expressed his deep regret at the omission to invite attention of the Governor-General to the case during the period of its reconsideration or to take his instructions before issuing orders in modification of the previous decision. The circumstances in which Sir Thomas Holland was constrained to come to an urgent decision in the absence of the Chief Controller, Surplus Stores, have already been explained, and it must in justice be added that he was at the time seriously over-taxed with urgent work. Pending a re-allocation of the Departmental duties attached to the old Commerce Department and the new Industries Department he had borne the undivided burden of both Departments since the departure of Sir George Barnes. The necessary reallocation of duties has since been carried out.

8. As the decision to withdraw has been taken and is irrevocable it is now useless to discuss the question whether Government should or should not in any circumstances have withdrawn from the prosecution. Different opinions may not unreasonably be held as to the course which Government should pursue when it realises that a costly prosecution may fail for reasons inherent in the case itself at any stage in the judicial proceedings ; but, while the Governor-General-in-Council agrees that circumstances may render it justifiable to withdraw a prosecution on a reasonable doubt arising as to the attitude which a Court may assume on the facts placed before it, he desires to make it clear that it is impossible to justify the withdrawal on the specific grounds given in this case. It is the more necessary to emphasise this as an implication has been drawn from this incident that, even where proof is believed to exist of palpable fraud, Government will be prepared to save the offender from prosecution on the ground that a section of the financial or commercial community will suffer from his conviction. This is a doctrine so inconsistent with the principles on which justice should be administered as to call for the most emphatic repudiation from Government. In particular, Government must take the strongest exception to the suggestion that it may be preferable that men though guilty should escape punishment rather than that a large number of innocent persons



should suffer loss. It is seldom that the conviction of an offender fails to involve loss or suffering to innocent persons and a consideration of this nature cannot be permitted to influence the course of justice.

9. The second of the points noted for mention is the question whether this incident has been rendered possible by a defect in the system which calls for remedy. The Governor-General in Council has carefully reviewed the rules regulating the procedure of the Government of India and is of opinion that no such defect exists. The statutory rules framed under the Government of India Act require that every case, which in the opinion of the members in charge of the department to which the subject belongs is of major importance, shall be submitted by him to the Governor-General with the orders proposed by him. An additional safeguard is provided through the position occupied by the Secretaries to the Government of India who, while they are charged with the duty of seeing that the rules of business are duly observed, are at the same time given a status independent of the Members with the right of referring at their discretion any case at any stage for the Governor-General's orders. As has been explained no responsibility attaches to the Secretary in the Industries Department in this case, since, by virtue of the resolution passed in February 1921, it did not come within the scope of the proceedings of that Department, but the case was entirely exceptional in that respect. These are the safeguards and the Governor-General-in-Council considers them fully adequate ; but no rules can provide against human error and that the Hon. Member in this case committed an error of judgment in failing to submit the matter to the Governor-General he has himself admitted.

10. There remains the final point. The circumstances in which an assertion was made in Court of the guilt of the accused in this case have already been explained. It is, the Governor-General-in-Council believes, entirely contrary to the usage observed in such cases and it is, he strongly maintains, contrary to the spirit of justice that a definite assertion should be made of the guilt of the accused when it is intended to withdraw from the prosecution and thus to deprive him of the opportunity of testing or rebutting the evidence alleged to exist against him.

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## Government of India proposals for the Purchase of Stores

Early in May 1921 the Government of India addressed two letters to Local Governments on the subjects of recommendations made in the report of the Indian Stores Purchase Committee. The first of these letters dealt with the proposals for organisation of the Indian Stores Department and the second with the alterations which it was proposed to make in the rules for the purchase of articles for the public services.

In the first letter the Government of India state that subject to one or two modifications of importance which are generally in the direction of allowing greater freedom to Local Governments they are provisionally inclined to follow the recommendations made in the minority report signed by Messrs. Collier and Ryan, where it differs from the view taken by the majority of the committee. It is explained at the outset that, in response to an urgent request from the Secretary of State for an expression of the Government of India's views regarding the allocation between Central and Provincial of the subject of stores and stationery, the Government of India submitted certain proposals on the subject, and that in accordance with them the following classification has been approved.

**CENTRAL SUBJECTS.**—Stores and stationery both imported and indigenous required for Imperial Departments.

**PROVINCIAL SUBJECTS.**—Stores and stationery subject in the case of imported stores and stationery to such rules as may be prescribed by the Secretary of State in Council.

**LIST OF PROVINCIAL SUBJECTS OF TRANSFER.**—Stores and stationery required for transferred departments subject in the case of imported stores and stationery to such rules as may be prescribed by the Secretary of State in Council. The previous sanction of the Secretary of State in Council is necessary to any expenditure on the purchase of imported stores or stationery otherwise than in accordance with such rules as may be made in this behalf by the Secretary of State in Council.

### Restriction on Imported Stores

The intention of this classification is, it is explained, that all departments of Local Governments, whether reserved or transferred, should be able to make their purchases either through agencies set up by themselves irrespective of any limitation of quality or price or through the Central Stores Department. In the latter case purchases will be subject to certain limitations which are explained in this letter and in the letter dealing with the division of the stores purchase rules. The only restriction which the Government of India propose on the purchase of imported stores by Local Governments is that if ordered from the United Kingdom they must be obtained through the London Stores Department. The Government of India observe that, as the central departments including State-worked railways are responsible for a very large proportion of the stores requirements of Governments which are obtained locally, the proposed Indian Stores Department is not likely to be affected in its scope by the extent to which Local



Governments may desire to utilise it. The necessary equipment of expert, purchasing, and inspecting officers cannot with due regard to efficiency be allowed to fall below a certain minimum even if the total work of the Department proves to be somewhat less than the Committee anticipated.

While dealing with the subject of the relations between Local Governments and the proposed Central Stores Department, the Government of India call attention to certain important features of their proposals. It is hoped that Provincial Directors of Industries will be able to assist the Stores Department with information regarding the extent of local manufactures and the currency of local prices. It is intended that the services of the inspecting and purchasing officers of the Stores Department and its organisation for the collection of intelligence shall be fully available for the use of Local Governments, should they desire to employ them. The making of running contracts for large quantities of materials or articles required by indentors will be encouraged. It is proposed that permission should be given under the rules to indenting officers to detain or obtain articles covered by running contracts direct, subject to the proviso that purchases of importance are reported to the Central Stores Department and that deliveries are in all cases subject to inspection by the officers of that Department. Provision is also made for supplying the Indian Stores Department with duplicate copies of indents made on the London Stores Department, so that the former may be enabled to advise indentors for their future guidance as to what articles included in such indents can be obtained from indigenous source. It is explained that materials which are invariably obtained in the country, such as sand, lime, bricks and Indian timber will be excluded from the scope of the Stores Department. The purchase of stationery is not dealt with in the present letter but will be the subject of a separate communication.

#### Levy of Departmental Charges.

For the reasons given in Para 96 of their Report the Committee recommended that no charge should be levied on Imperial Departments, Provincial Governments and railway companies for the services of the Indian Stores Department; but they considered that Indian States and local bodies should be asked to make a reasonable payment for the services of the Department. In view, however, of the new relations between the central and provincial revenues and of the fact that full recovery will be made in the case of agency work undertaken by the provinces for the Central Government, the Government of India consider, that it will be necessary to levy departmental charges in the case of supplies made by the Indian Stores Department to Provincial Governments. It has accordingly been decided tentatively to levy a charge of 2 per cent in the case of supplies to Provincial Governments through the Indian Stores Department. Similar percentage is proposed for recovery from the Indian States and local bodies who elect to make use of the Department and the same principle will be applied in the case of stores supplied to railways and the commercial and quasi-commercial departments of the Government of India.

#### Location of Head Office.

The question of the best location of the headquarters office of the Stores Department is discussed and the Government of India express their inability to acquiesce in the far from unanimous conclusion of the Committee in favour of locating it at Calcutta. Calcutta presents certain obvious advantages in the close and constant touch with important markets and manufacturing centres which it affords, but on the other hand an organisation with a large commercial centre as its basis of operations will, it is thought, to some extent tend to favour that centre at the expense of others. The Government of India consider it to be of great importance that the scales should be held evenly between all centres of manufacturing and trading interest throughout the country in the allocation of



**Government purchasers.** They have therefore decided in favour of the location of the central office of the Stores Department at the headquarters of the Government of India, a location which will have the additional advantage of facilitating the rapid disposal of questions relating to the working of the Department and of enquiries and complaints with which the Government of India will have to deal.

### No Provincial Agencies.

The Committee recommend the creation of provincial agencies at Calcutta, Bombay, Madras, Cawnpur, Lahore and Rangoon. The recommendation the Government of India are unable to support. In their view it will be impossible to appoint a local officer with special knowledge of more than one class of articles. For other classes of articles the knowledge of the local officer of the Stores Department will contrast unfavourably with that of local officers of the Public Works and Industries Departments, and is, therefore, not likely to command the confidence of or render assistance to indenting departments of the Local Government concerned. The Local Governments will, it is expected in many cases, desire to create their own local stores organisations, and while they will doubtless welcome the advice and assistance of an expert and fully-equipped Central Stores Department they are not likely to employ non-expert agents of the Central Department. The provincial agencies proposed by the Committee are moreover inadequate for the work to be performed at large centres like Calcutta and Bombay, while they are probably in excess of the requirements in some of the less developed centres. The Government of India propose therefore to locate a stronger and a more specialised staff at the main purchasing centres and to postpone for the present any attempt to create a local agency elsewhere, relying in the meantime for the collection of intelligence on the Directors of Industries and the local Commercial Intelligence staff. For the present they propose to locate in Calcutta three purchasing officers for engineering and miscellaneous stores, in Bombay three officers for textiles and engineering, and at Cawnpur one officer for leather and textiles; and to employ inspecting officers at each of these centres and at Jamshedpur.

The Government of India do not consider it possible in the present circumstances to give effect to the Committee's recommendations regarding the purchase and inspection of timber, including railway sleepers, the main objection to the recommendation being in their view the impossibility under existing conditions of securing adhesion of company-worked railways to such a scheme. They therefore propose to maintain for the present the existing organisation created for the purchase of sleepers by the Railway Board and to await the falling in of the contracts entered into by company-worked railways. The elimination of the purchase of sleepers from the Committee's scheme leaves too small a balance of other timber purchases to justify the creation of a special agency for the purpose under the Stores Department.

The Government of India agree with the conclusion of the Committee as expressed in Para 160 of their report that there are certain classes of stores for which centralised purchase in bulk presents great advantages; but they would add to the classes of articles enumerated in the para cited above the important class denoted by steel and iron as produced by the blast furnace, steel hearths, or rolling mills, and not further manufactured into articles but including steel intended for structural work.

The Committee made definite proposals regarding the financial powers to be given to the head of the Stores Department whom it is proposed to designate as Chief Controller of Stores.



Government of India are of opinion that the Chief Controller should obtain their sanction to any transaction falling under one or more of the following heads ; (a) any contract involving the expenditure of more than Rs. 16 lakhs in one year, (b) purchases in excess of actual indents, (c) any purchase involving the payment of an amount in excess of the market price with a view to encouraging indigenous production or the grant of a bonus on production, (d) contracts exceeding 3 years and involving expenditure of over Rs. 1 lakh in any one year, (e) writing off losses owing to mistakes in purchase or inspection which cannot fairly be debited to indenting departments.

In order to avoid subsequent delay the Government of India have obtained the sanction of the Secretary of State to the appointment on a temporary basis of the chief departmental officers proposed by the Committee, viz., the head of the Department and the Chief Inspector and the Director of Contracts and Intelligence, who will be the heads of the purchasing and inspecting branches. They propose that these officers when appointed should proceed at once to work out details of organisation, recruitment, and accommodation, and should be available for personal consultation with Local Government. Regular recruitment to the Department should when the initial appointments have been made be entrusted to the Public Services Commission.

### Question of encouraging locally made articles

The particular attention of the Local Governments is drawn to the difficult question dealt with in para 103 of the Committee's report, viz., whether the payment of prices higher than the ordinary market prices for a locally made article is justified on the ground of encouragement of indigenous manufactures. The alternative proposal of accepting goods of inferior quality, the Committee rightly condemn, as likely to lead to abuse. Under the classification of subjects between the central and provincial governments to which reference has already been made, Local Governments will have full powers to pay whatever prices they may see fit for indigenous or even imported stores. The Government of India, however, feel it necessary to point out the dangers attending the use of this power. The working of the Stores Department, whether Imperial or Provincial, should be regulated strictly by business standards both as regards price and quality, and any departure from the standards may lead not only to extravagance or possible corruption but to the grant of support to a provincial manufacture to the detriment of a similar industry in an adjoining province. The only check on the procedure of Local Governments will be provided by the Committee on Public Accounts. So far as the Government of India are themselves concerned they would only permit special assistance to indigenous industries in extraordinary cases. In their view if it is desired to encourage an indigenous industry by any form of purchase on favourable terms this should take the form of an openly declared bounty applicable to the whole country and to the entire production of the industry in question wherever it exists, not by the payment of a bonus only on the articles consumed by Government. Such a bounty is a form of fiscal protection and it is therefore necessary that its precise terms should be made known to the public. The grant of a bounty of this kind should not be undertaken lightly since it would involve a careful check over the number for value of articles actually produced in order to avoid fraud generally. The Government of India feel that attempts to encourage local industries by any such methods as those described above are fraught with serious difficulties and dangers and should not in any case be undertaken without the most careful consideration.



**Local purchase of imported stores**

The local purchase of imported stores is a matter on which the Committee exhibited considerable divergence of opinion. Though, as pointed out already, Local Governments will be free to purchase all kinds of stores either through the central Stores Department or their own agency, the Government of India consider that the operations of the Central Stores Department should be governed in the matter of the local purchase of imported stores by the existing rules with the few relaxations which are proposed as the result of the Committee's recommendations. Those rules have in the past operated generally in the direction of economy, although as the Government of India are well aware they have entitled not inconsiderable difficulties. They trust that the relaxations in the rules which it is proposed to make will remove the most serious objections to them.

With regard to the main principle of the local purchase of imported stores the Government of India find themselves in general agreement with the minority of the Committee, whose recommendations they propose to adopt for the following reasons. To free local purchase of imported stores will tend to discourage the replacement of imports by local manufactures and to strengthen the existing vested interests which have preferred in the past an easy profit from the sale of imports to risking their capital in attempts to produce locally. The Government of India also doubt whether the free local purchase of imported stores will be in the interests of economy. The question which has in the past been the subject of much dispute can only be settled effectively with the help of such a local agency for purchase and inspection as it is now proposed to constitute.

As regards manufacture in Government factories the Government of India propose to lay down the principle that the manufacture of articles which can be purchased from private producers should not be carried out in Government factories unless special military considerations exist or unless special reasons exist which must be reported to the Government of India. The Stores Department should watch how far compliance is made with this condition. As regards the position of the London Stores Department, the Government of India agree with the memorandum signed by Messrs. Collier and Ryan in holding that two separate Stores Departments, one in England and one in India, with entirely separate responsibilities and fields of action, one controlled by the Government of India through the High Commissioner and the other through the Department of Industries, is an arrangement which can be worked without difficulty or friction. They see obvious objections to dual control of the London Stores Department, by the High Commissioner in London and by a subordinate Department of the Government of India in India. So the appointment of a High Commissioner in London subordinate to the Government of India renders it possible to secure that the London Stores Department shall work in accordance with the declared policy of the Government of India in favour of obtaining an ever-increasing proportion of their requirements from Indian manufacturers and shall confine itself to the necessary duty of supplying such stores as have still to be obtained from overseas with the greatest possible economy, efficiency, and despatch.

**Alteration in the Rules.**

The Second letter indicated detailed alterations to be made in the Stores Purchase Rules.



The rules have been divided into two parts, namely, those applicable to the Govt, of India and to provinces other than Governor's provinces and those which apply to Governors' provinces alone.

The first rule says that all articles which are produced in India in the form of raw materials or are manufactured in India from materials produced in India should, in preference to articles not manufactured in India or wholly or partly manufactured in India from imported materials, be purchased locally, provided that the quality is sufficiently good for the purpose and the price not unfavourable. In presenting this rule to Local Governments the Government of India assure that the expression "not unfavourable" calls for a comparison of prices but does not prevent purchase of indigenous stores at a negligible excess cost. It also permits other factors of economy, such as promptitude of delivery being taken into account.

The second rule lays down that all articles wholly or partly manufactured in India from imported materials should, in preference to all articles not manufactured in India be purchased in India, subject to the following conditions: (a) that a substantial part of the process of manufacture of articles purchased has been performed in India (b) that the price is as low as that at which articles of similar quality can be obtained through the Stores Department, London, and (c) that materials employed are subjected to such inspection and tests as may be prescribed by the Government of India.

Rule three enjoins that articles which are not manufactured in India should be obtained by indent upon the Stores Department, London, except in the following cases—(a) when articles are already in India at the time of order or are already on their way out and their price and quality are not unfavourable as compared with those at which similar articles could be obtained through the Stores Department, London, and the cost of supply does not exceed the limits prescribed in a subsequent rule. When the total value of articles required is trifling it is generally desirable to purchase them locally (b) in case of important construction works let out on contract, articles not manufactured in India required for construction of such works may be supplied by a constructing firm, provided the firm is approved by the Government of India and materials are subject to current specifications and tests prescribed by Government. It is further laid down in this rule that plant and machinery and component parts thereof may be purchased from branches established in India of British manufacturing firms borne on the list of the Stores Department and approved by a Chief Controller of Stores, India, provided that plant and machinery are of standard patterns such as are ordinarily manufactured by the firm and have actually



been so manufactured, provided also that actual price of articles exclusive of any expenditure representing cost of erection is as low as that at which articles of the same make can be supplied by the Stores Department, and that cost of supply under any one order or detailed estimate in respect of any one type of standard plant or machinery does not exceed Rs. 50,000, etc.

With reference to the general provisions of this rule in favour of purchases from branch firms, the Government of India are in full agreement with the views of the Industrial Commission and of the Stores Purchase Committee that setting up of branches of British manufacturing firms in India will encourage development of local manufacture and is indeed the only practical means of introducing certain specialised forms of manufacture into the country.

The next rule states that, provided the usual conditions such as requisite quality and not unfavourable price are present, certain articles whether manufactured or produced in India or not should be purchased in India, and these include those of a perishable nature, viz, explosives, black tin wines and spirits and English bottled beer, kerosine oil, plant and materials for electric installations, Australian timber and Australian copper.

The sixth rule has it that nothing in rules is to be deemed to prohibit purchase of stores of European manufacture by one department of railway from another. The next deals with the method of obtaining stores not purchased in India and expresses that all articles which under foregoing rules are not to be brought in India should be obtained by indent on stores department except any which the Secretary of State may have specially authorised the Government of India or its officers to purchase direct outside India. Other rules relate to the method of comparing prices, tests of specifications, approved firms from which iron and steel may be bought in India, financial limits on powers of officers to make purchases in India and the Government of India's power to sanction departures from rules in cases in which such departure is absolutely unavoidable, subject to a report to the Secretary of State if expenditure exceeds, Rs. 50,000. The sanctioning powers of purchasing officers are increased partly due to general rise in prices.

There is only one rule applicable to Governors provinces and it runs as follows:—In case of purchases made by Local Governments none of the above rules shall apply, provided that any such purchases if from the United Kingdom shall be made from the London Stores Department in accordance with any rules that may be made from time to time by the Secretary of State, Government of India or the Director-General of Stores.

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## Sir Henry Wheeler's Report on the Chandpur Gurkha Outrage

The following is the full text of the Report issued by the Bengal Govt. on June 7th 1921, (Sir Henry was then the 1st. Executive Councillor in Bengal) in justification of the notorious Gurkha Outrage at Chandpur detailed in Vol I, Pp. 194—205.

I left Darjeeling on Saturday, the 28th May, reaching Goalundo on the 29th item by the Mail. I found there that the ordinary steamer had struck, and proceeded to Chandpur with Mr. O'Sullivan, Deputy Inspector-General of Police, Bakarganj Range, in his launch, arriving about 9 p.m. at night. Next morning (the 30th), in company with Mr. K. C. De (Commissioner, Chittagong Division), Mr. Wares (Collector of Tippera), the Hon'ble S. K. Sinha (Subdivisional officer, Chandpur), Mr. O'Sullivan and Dr. Batra (of the Health Department—on deputation to Chandpur) I visited the coolie camp on the north bank of the *khal* and went all over it. Returning to the south bank, I visited the three local hospitals, namely the Railway, Elgin and Baptist Mission hospitals; the rest of the day was spent in interviews with the local officers and others, noticeably with Dr. Pemberton, Medical Officer, A. B. Railway, the Bishop of Assam and Mr. Goring of the New Zealand Baptist Mission. On the 31st, in company with Messrs. De, Wares, Sinha and Batra, I walked all through the bazar on the north side of the *khal* to the outskirts of the town and saw the residue of the coolies who were still scattered throughout numerous houses and in a small market shed. In the bazar I questioned Dr. Sur, a private medical practitioner, who had seen some of the injured coolies, and completing the circuit of the town, went all over the railway yard and the surroundings of the Ghat, and saw Mr. Rope, the local steamer agent. I then had a lengthy interview with Mr. Sen Gupta, Babu Hardayal Nag and four other gentlemen representing the local non-co-operation party at which Drs. Sur and S. C. Banerjee (in medical charge of the coolie camp on their behalf) were also present. After this I recorded regular statements from Mr. Purcell, the District Traffic Superintendent, A. B. Railway, the jamadar with the party of the E. B. Frontier Rifles who had come from Dacca, Captain Sheppard in charge of the same, Mr. De the local Government sub-assistant surgeon, Mr. Jam's (Supervising station master), L. D. Baveiro (a guard), Mr. Wares and Mr. Sinha. In the evening I met the European non-official residents,



some 15 gentlemen. On the 1st along with Messrs. De, Wares and O'Sullivan, I walked over the bazar to the south of the *khal*, returning through the coolie camp where I again stopped some time. The Rev. C. F. Andrews arrived from Goalundo late in the morning, and after a lengthy interview with him I left, arriving back at Darjeeling on the 3rd June.

My information, in addition to what I saw for myself, is based on the statements of the gentlemen named above, as also of Messrs. Hogg (Collector of Faridpur), Stein (Superintendent of Police, Faridpur), Burton (of the River Police) and Blackmore (Agent of the Steamer Companies) whom I saw at Goalundo.

### The Opening Events

For the due understanding of what happened at Chandpur, it is necessary briefly to outline events since the early part of May. The arrival in Chandpur of destitute coolies from Assam first began to attract the attention of the local officers about the 9th May, and on the 16th idem Mr. Wares reported to Mr. De that they were coming through to the average number of about 200 daily. Mr. Wares (who had previously discussed the matter with Mr. De on the 13th) visited Chandpur on the 15th May and found about 1,600 coolies squatting on the railway land, whereupon (with Mr. De's cognisance, but without the knowledge of the local Government) he arranged for a special steamer which conveyed some 1,000 (plus children) to Goalundo, the cost being paid from charitable funds in official hands (noticeably one known as Mrs. K. C. De's Relief Fund.) He then understood from the coolies that from Goalundo they would be able to get on for themselves. On the 16th, 450 coolies (plus children) and on the 17th, 937 (including children) were similarly despatched by the local officers, on a Government guarantee for their fares. On the latter date information of events reached the local Government who informed the Commissioner that the cost of repatriation was not a charge which they could properly accept, and since the 17th no coolies have been despatched from Chandpur at Government expense. Meanwhile, however, others in large numbers were continuing to arrive. Mr. De went to Chandpur on the 19th May, when he found about 1,500 coolies in the railway station and yard, while 500 more were expected. He called a conference of the local residents etc., and the decision being arrived at to locate the coolies on the football field to the north of the station (separated from it by a strip of waste land only), arrangements were put in hand to erect shelters, summon medical assistance and make sanitary arrangements. The Indian Tea Association made an offer of Rs. 2,000 for the erection of sheds, while



the local people represented the difficulty of moving the coolies who would not leave the station for fear of being sent back. Large numbers poured in on the 18th and 19th, and by the evening of the latter date there seem to have been about 3,000 collected all over the station yard and its surroundings. The railway yard and terminus at Chandpur are parallel to the *khal*, at the extremity of the north bank the ghat being alongside and reached through a gate which remains open and unfastened

Mr. Macpherson Hustled.

On the night of the 19th Mr. Rope (the Steamer Agent) aroused Mr. Sinha (S. D. O.) about 11 p.m. with the news that about 400 (Goalundo gave the figure at 478) coolies had rushed the Goalundo mail; while a much smaller number had got on the Narayanganj mail; others had crowded on the receiving flat, and the rush had only been stopped by casting the boats off into the stream. Mr. Sinha went at once to the ghat, accompanied by three European gentlemen, among them Mr. Macpherson, a representative of the Tea Association, who had arrived on the 17th to investigate the situation. They found an excited and shouting crowd of coolies, and while Mr. Sinha was forming up what constables were available at the gangway, the other three went on the flat where Mr. Macpherson was badly hustled. The police were brought on to the flat which was cleared, the crowd standing shouting on the bank with cries of "Gandhi Maharaj ki jai," and incited by local town-people who were moving about them. Some space was cleared, but while Messrs. Sinha and Macpherson were attempting to open up a further passageway the coolies turned and one raised his stick to strike the former. A constable caught his arm and Mr. Sinha struck him on his leg with his cane, but the coolies pressed on armed with sticks, and the two had to beat a retreat to the ghat, Mr. Macpherson being struck on the arm in the process. The constables there managed to keep the coolies back, and eventually the Subdivisional Officer and those present retired to the flat and disconnected the further end of the gangway. Word was sent to the Collector (Mr. Wares) who arrived about 2 a.m. The excitement continued throughout the night and when the Chittagong mail came in, about 5 p.m. on the 20th, another attempt was made to rush the gangway, which was only frustrated by lining up the armed guard on the gangway. Eventually the steamer got off and the tumult subsided.

The events of the night of the 19th have a distinct bearing on those of the night of the 20th. The salient points are the excitement among the coolies and display of violence, and the attitude



of the young men from the town, large numbers of whom seem to have remained till the incident of the early morning, inciting the coolies.

#### Medical Opinion

Dr. Pemberton, the Railway Medical Officer, arrived on the morning of the 20th, and gave it as his opinion that it was absolutely essential in the interests of public health that the coolies should not remain where they were. The station master states that, that morning the rumour spread among the coolies that if they stayed on the football field they would miss the steamer, and they moved in closer, all over the platform, where they were lighting their *chulas*. The premises had become grossly insanitary; there were 5 cholera cases among the railway staff, and 9 cholera cases of coolies in the Railway Hospital. The Commissioner, finding the police on the spot to be insufficient, wired for assistance and 50 men of the Eastern Bengal Frontier Rifles were moved from Dacca under Captain Sheppard, due to arrive that evening. These men, usually known by their old name of Military Police, are mostly recruited in Assam, though there is one Gurkha Company. Nothing particular happened during the day, but the coolies looted coal stacks and broke down the bamboo railings for fuel. Mr. Purcell (District Traffic Superintendent) saw a cholera case close to his carriage in the afternoon.

#### Young Men Inciting Coolies

4. Towards evening youngmen from the town began collecting at the station in considerable numbers, crowding on the over-bridge and moving among the coolies. There was shouting of "Gandhi-Ji Ki-Jai," and when the two mail boats came in (from Goalundo and Narayanganj) and the passengers had to carry their own luggage, there was jeering and mocking from the townsfolk. After the military police were landed from the Narayanganj boat they were first of all lined up with fixed bayonets on either side of a passageway across the rails to enable the passengers to reach the trains; the ordinary route across the overbridge was discarded as it was crowded with the people from the town. Mr. De had decided, as soon as he had heard during the day that reinforcements were being sent, to clear the station on their arrival. He could not do so during the day for want of men; his reasons for proceeding at once at night were the urgent necessity of getting the premises cleared on sanitary grounds, and the fear of a second rushing of the steamers, as had taken place on the previous night. Consequently he, Mr. Wares, Mr. Sinha and Mr. Shallow (Superintendent of Police, Tippera) were at the station when the boats came in.



## Moving the Coolies on

As soon as the trains had got off Mr. De asked Mr. Purcell to collect his staff in the station rooms so that they might not be mixed up in the crowd, and the word having reached the townspeople that the station was about to be cleared they proceeded to leave the overbridge. Mr. Sinha and Mr. Shallow were sent to put a guard on the power house, as the lights looked like going out and it was feared they might be tampered with; these two officers were not present at the subsequent events. Along with the others some coolies began to move away, but a number proceeded to sit down in and around the third class waiting shed. It is denied that any were asleep, and with the noise and bustle that were going on this is at least unlikely. When it was seen that this band of coolies did not intend to vacate, Mr. Wares, at Mr. De's request, gave the order to Captain Sheppard to move them. The men unfixed bayonets and Captain Sheppard went forward with one Section (either eight or ten men) and the jemadar. Seeing that this number was likely to prove insufficient, he doubled back and brought up another section. The others did not participate. The evidence is that both the officers present and the men shouted to the coolies to go, but they refused to do so. Men stood up waving their arms, with shouts of "Gandhi-ki-jai," and the police began pushing them; this proving ineffectual, the police picked up the coolies' own sticks and bits of firewood and began striking their bundles and bedding. From that they began to strike the coolies, when first in twos and threes, and then in a general rush (in the course of which some fell), the coolies went off towards the football field; Mr. De states that he stopped a man who was using the butt of his rifle, and Captain Sheppard speaks of seeing one or two severe blows and of telling his men to desist, but otherwise the statement indicate a general scuffle rather than particular assaults. The witnesses agree that the coolies would not have moved unless force had been used, and that the force used was not, in the circumstances, excessive. The relative numbers of the crowd and of the police are to be borne in mind in judging of the merits of the question. Mr. Purcell specifically denies a statement, which has appeared in the press, that he remonstrated at the brutality being shown. When the coolies had left, the whistle was sounded and the men formed up promptly. The estimates of the time occupied by this incident vary from 5 to 10 minutes; all seems to have been over by about 11-30 p.m. The various officers slept on the steamer lest there was any repetition of disturbances, but in the morning the coolies had disappeared. It is said that the local residents induced them to move into the town during the night. In the morning Mr. De sent the local sub-assis-



tant surgeon to the town to see if any coolies had been injured and to render help.

#### Hartals and Strikes.

5. On the 21st May a general hartal was declared in the town and has continued since, in protest against the events of the night of the 20th and the refusal of the local Government to pay for the repatriation of the coolies. At midday on the 24th a railway strike was declared in Chandpur, on the 25th at Laksam Junction and on the 26th at Chittagong. A strike of the steamer service commenced on the 27th at Chandpur, and spread to Goalundo and surrounding centres. Sympathetic hartals were declared at Chittagong, Comilla, Noakhali and other places in the division and elsewhere. After the night of the 18th the wildest rumours were in circulation in the town and throughout the division, one being that many men had been drowned on the night of the 18th. These stories which are wholly without foundation are dealt with later. At the time of my visit the railway was managing to get through one train a day to Chittagong, but otherwise was at a standstill; the Goalundo steamer service was suspended and others were gradually following suit. A system of chits countersigned by the "local leaders" (I use the expression by which they habitually refer to themselves) had been introduced, without which the shops would not supply, and the Europeans and Government servants were being put to considerable difficulties. A Government store had been opened to meet their needs. Most of the Europeans had lost their servants. From all sides, as also at Goalundo, there were stories of intimidation of men willing to work but being threatened with boycott etc., if they did so.

#### Mr. C. F. Andrews.

6. Mr. C. F. Andrews arrived on the night of the 21st May. On the 24th idem he despatched 450 to Goalundo from funds at his disposal. On the 25th he was prepared to take 250 more adult tickets (with children this would represent a larger party), and the men were actually on the flat ready to start, but the local leaders having told him that there would be a steamer strike he ordered them back. As a matter of fact the steamer did run that night, and the Company were prepared to carry these men.

#### The Enquiry into the Events.

7. The above account gives a brief outline only of events. The estimates of the numbers of coolies who left Chandpur vary, as was inevitable; the number of tickets taken was no safe guide, as others crowded on to the boats, while children were difficult to count. The Goalundo figures are probably as accurate as any, and



Mr. Hogg's estimate is 3,750 all told. When I was there the number in Chandpur was probably between 1,900 and 2,000; between 1,400 and 1,500 in the camp on the south of the "Khal," and some 500 scattered throughout the town on the north bank.

8. Cholera and disease made their appearance at an early stage, though here again absolutely accurate figures were unobtainable. Up to the morning of 30th May they were :—

Admitted to the Railway Hospital	...	68
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Deaths in the Railway Hospital	...	30
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Other diseases.—

Admitted to Elgin and Mission Hospitals	...	105
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Deaths in Elgin and Mission Hospitals	...	23
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In Cooly Camp.—

Illness	...	...	...	85 (not returned for 29th and 30th).
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Deaths	...	...	...	35 (not returned for 30th).
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Total deaths	...	88
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On the 29th, 30th and 31st the cases in the cooly camp (the weather had turned wet and cold) showed a distinct rise being 16, 20 and 31 respectively, with deaths 10, 13 and 14 (mostly cholera). Dr. Batra estimates the deaths during the last half of May at 160 at least.

9. The points to which I directed particular attention were the following :—

(a) The number of men injured in the affair of the 20th and the nature of their injuries.

(b) The efficiency of the sanitary and medical arrangements.

(c) The causes underlying the "hartal" and strikes.

I deal with these seriatim below.

#### No help from Non-co-Operators.

10. As regards the injured it was represented before me as a matter of complaint by the non-official deputation that the Commissioner had not had them attended to there and then on the football field; but neither was any medical man there at the time (nearly midnight), nor did any of the officers present think that any severe injuries had been inflicted. Mr. De did send a sub-assistant surgeon next morning, and he was given no facilities to see the injured. His statement is that Dr. Sur told him that after having been given first aid they had scattered about the town. Dr. Sur said that he had given first aid to 26 and showed a list bearing



that total. He asked the sub-assistant surgeon why he wanted the list, and when told it was to make a report, said that he would not show it and took it back. The sub-assistant surgeon had, however, seen the total. Dr. Sur stated that he could not take a photograph of any serious wound for publication, but the sub-assistant surgeon gathered that he did not wish to give any details. He asked that a Dr. Karmakar had seen cases, but this gentleman, on being questioned by the sub-assistant surgeon, stated that he had only seen those which Dr. Sur treated. These with Dr. Hossein of the Mission Hospital, are the leading private practitioners, and it was not alleged that any one else had given treatment. No patients had been sent to the Elgin Hospital, though this is the ordinary recipient of injury cases. Before me Dr. Sur said he had seen between 50 or 60 cases. Mr. Sen Gupta stated that he had heard there were about 100, of which 50 or 60 were serious. I asked the local leaders how many had broken bones! They said they could not say off-hand. I asked if any with broken bones were in Chandpur now; they said they could not say. I asked if their doctors were attending any broken limb cases; they answered in the negative. They admitted that there was no evidence that anybody had been killed on the 20th, or drowned on the 19th. When I asked Babu Hardyal Nag whose allegations of drowning had been telegraphed to Calcutta, he said he had been careful to state that it was only "rumoured."

Wherever I went I asked to see the injured, but I only succeeded in seeing the following:—

1. A woman with a small wound in the right elbow about an inch deep. The joint was not injured. It was alleged that this was a bayonet wound.
2. A woman who complained of being hit on the ribs with the butt-end of a rifle; no bones were broken.
3. A man with a healed scar of a fair-sized cut on his knee.
4. A woman with a small scar on the head.
5. A man with a small wound on the top of his head. He.... said this had been inflicted with a bayonet; if so, the assailant must have been remarkably tall.
6. A woman with a tiny scar on her elbow. She said she had been struck with a piece of firewood.
7. A boy of about 12 with a superficial abrasion.
8. A man with a small scar on his forehead.
9. A man with a scar on his shoulder.
10. A woman with a largish bruise on her thigh. It ran more vertically than across the thigh, and was of a curious curved shape.
11. A man with a small abrasion on the tibia.



12. A man with a wound on his foot.
13. A woman with a small abrasion on her ankle.
14. A woman with a small scratch on the hand.
15. A girl of about eight years with a largish scab under the right eye. The eye was not hurt. It was said that this was a punctured wound with a bayonet ; if so, it was miraculous that more injury was not done.

16. A man with a small superficial wound on his head.

I was shown several men on whom I could see no marks, and one man came forward with a palpably open sore on his ankle, and was sent away by the Swami in charge for lying. All the injuries except number 1 had healed ; that and numbers 10 and 15 were the most serious that I saw. I would not describe any of the others as serious. Mr. Andrews, who was on the spot just after the occurrence, saw no broken limbs or bayonet wounds. It is noticeable that all those who alleged bayonet injuries spoke of triangular punctured wounds : the ordinary armed police carry a triangular bayonet, but the military police bayonet is sword-shaped.

When I asked where were the rest of the injured I was told that they had either gone away among those repatriated by Mr. Andrews or were scattered in the surrounding villages. As Dr. Batra passed the first named batch as fit to travel, and noticed no one seriously injured, it is unlikely that there were any such cases. A small injury might, of course, have escaped attention.

11. With reference to the sanitary and medical precautions, Dr. Batra of the Health Department arrived at Chandpur on the 21st May. A medical staff was drafted in as quickly as possible, and at the time of my visit he had three assistant surgeons, and 11 sub-assistant surgeons, besides a local staff of five sub-assistant surgeons : he also had a staff of vaccination inspectors and the like. The local leaders were unwilling to receive his help and discussed the matter at length. In the evening of the 22nd he was told that he might intervene, and volunteers were promised, though no definite list was put under his orders. The local leaders admitted this to me, but said that it was impossible for them to arrange otherwise. Dr. Batra proceeded to endeavour to set up an organisation, his general plan being to treat the sick on a receiving flat on the south bank of the "khal" and in the three hospitals on the north. He received invaluable help from the Bishop of Assam and Mr. Walsh, from Mr. and Mrs. Goring of the Mission, and from Dr. Pemberton. Some 1000 coolies were moved on the 22nd to the south bank of the "khal," where they were accommodated in some dis-used jute godowns. Dr. Batra had the jungle there cleared, the coolies assisting willingly on payment ; some clothes were also distributed to them. The



residue of some 500 coolies remained in the town, the local leaders expressing their inability to transfer them despite Dr. Batra's protestations on the score of the danger of an epidemic in the town. To have moved them by force would inevitably have led to trouble. They are undoubtedly a source of danger where they are, and I found two cases (either of cholera or dysentery) lying untended there on the 31st. Dr. Batra gave Rs.200 (through Mr. Andrews) for chlorinating tanks and clearing the town, and the water supply received attention. Altogether up to the 29th he had spent further Rs. 1200 for feeding and comforts ; Rs. 1200 for the erection of sheds in the compound of the railway hospitals, while materials for others, if required in the Mission hospital, were ready ; and Rs. 800 on medicines and disinfectants. Cholera equipment and vaccine were sent in from outside, and I took down 16 boxes of medical stores which I found stranded at Goalundo. The Commissioner and Collector testify to the energy and efficiency of Dr. Batra's arrangements, and Mr. Andrews admits his efficiency though complaining of his sharp tongue. But it is established that he encountered great difficulties from the non-co-operation party. The "hartal" of the 21st impeded the getting of all things noticeably milk and vegetables, and he was allowed to buy nothing without the signature of the local leaders. I saw an order for sugar returned to him from a shop with an endorsement to that effect, and the facts are admitted. He personally tried to get 20 seers from the shop of Dr. Karmakar, and was reluctantly given 10 seers after withstanding the cross examination that he wanted it for the local Europeans. Sweepers were difficult to obtain, and they and the *Doms* were told that they must take orders from the non-co-operators. There was a delay in getting hutting materials and improvised mattresses could not be secured at all. The towns people undertook the supply of food, but Dr. Batra criticised its insufficiency and the absence of fuel to cook it. Matters came to a head on the 28th May, when Dr. Batra sent to Babu Hardyal Nag for milk that was wanted at the Elgin Hospital, and received the following note :—

"On account of the repeated complaints by our medical officers and volunteers we have made separate arrangements for the treatment of the coolies. Necessarily our volunteers are withdrawn from your flat hospital."

(Sd.) Hardyal Nag.

At the Commissioner's request Dr. Batra went again to the camp on the 29th, but learnt that the Marwaris (of whom a party of helpers had arrived) said that they would carry on, and that Dr.



Batra might look after the sanitation, though the sweepers were not to be under his orders. In these circumstances he withdrew, with his staff consisting of 2 assistant surgeons, 4 sub-assistant surgeons, 2 vaccination officers and 2 health department inspectors. Dr. Batra's statement is that on the 28th the local helpers were willing to work under him : the opposition came from outside. Mr. Wares stated that on the 28th the coolies were distinctly more cheerful and contented.

12. When I saw the camp on the 30th the directing officer in charge was Swami Biswanand of the Ram Krishna Mission, who had arrived on the 27th. The actual medical officer in the cholera camp hospital (a tattered mat-building close to the latrines) was a student of an unrecognised medical school. Dr. S. C. Banerji, lately holding a temporary commission in the Indian Medical Service, was in medical charge, and he said he had three homeopathic and three allopathic practitioners under him and 76 volunteers. These men seemed to be working keenly and willingly, and I, in no wise, wish to underrate their help, which Dr. Batra had himself cordially acknowledged, though he understood that it was a complaint against him that this fact had not been mentioned in the Government communique of the 26th May. His complaint was that he never succeeded in getting a regular number placed under his orders. But I think it is undeniable that the available official medical staff was better qualified and far better equipped. I pressed this point repeatedly both in the camp and to the local leaders on the 31st, saying that Dr. Batra and his staff were there ready to give every assistance, and that less efficient control must infallibly react on the coolies. I said the Government staff would be left there, and could be called in if wanted, but that, in that event, Dr. Batra must be in charge, though he would welcome any help. The local leaders, however, said that they declined to work with him and asked for another man to be sent. This I declined to recommend as all the evidence was as to his efficiency. I pointed out more than once that the responsibility of refusal would be theirs. I invited them to state their complaints against him, and I set these out below in the order in which they were put forward together with the gist of Dr. Batra's replies and some comments :—

Speaking roughly to the volunteers.—I particularly asked them if there was any allegation that there had been abuse and this was not made. Dr. Batra admits that he might have spoken sharply to the volunteers in giving instructions, but denies anything like habitual discourtesy.

That cholera cases were taken over in the north bank, thus endangering their lives.—Dr. Batra was of opinion that efficient



treatment could only be given in the hospitals on that side, and that it was impossible in the sheds such as I have described. Speaking as a non-medical man, this opinion strikes me as reasonable.

He had placed cholera cases on the flat, thus endangering their lives.—Dr. Batra considered that the flat was far less crowded and more healthy, since it can be properly disinfected, and he intended it as a clearing station for emergency treatment. Here again, speaking as a layman, his views seem reasonable.

That he did not build any latrines.—Dr. Batra admits that he had carried on with temporary arrangements, specially as there were difficulties about hutting materials. He would have provided latrines as soon as possible.

That he did not build any huts.—Dr. Batra explains that he located these at the railway hospital, and no patients had been kept in the open.

On the 27th, 28th, and 29th between 7 and 12 (noon) and 3 and 6 p.m. Dr. Batra was not seen in the camp.—I particularly asked the local leaders whether any other medical assistants were there, and they replied that they were unable to say. Dr. Batra explains that, consistently with his other duties on both sides of the *khal*, he could not always be in the camp, but he alleges that he was at the flat on the morning of the 27th; that on the afternoon of the 27th and 28th he was there accompanied by Mr. Wares and Mr. Goring (who both corroborate him) and on the 29th accompanied by Mr. Goring. This is also corroborated by the latter.

That he showed by his conduct that he did not want to go over to see things for himself.—This is not admitted by Dr. Batra, and it is not borne out by what I was told by the local officers.

That on the 27th certain local gentlemen asked him to go to the camp between 4 and 5 to discuss arrangements, and that he replied he would see them in the Dak Bungalow and would send a launch which did not go. No meeting accordingly took place.—Dr. Batra states that he received this note about 7 p.m. when he had just returned to the flat having been at work since 6 a.m. It was admitted by the local leaders that his written reply was courteously worded, but they said that he had spoken rudely to the messenger. Dr. Batra was not in charge at the police launch; in any case local gentlemen usually cross the *khal* by country boats.

That on the 29th he had taken away lanterns from the camp.—Dr. Batra explains that he did this as they were Government property and he was relinquishing charge; also because four had been lost on the previous day.



I expressed the opinion to the local leaders that in all the circumstances the complaints did not strike me as very substantial.

**Causes of Hartal.**

Some reference has already been made to the causes of the 'hartal' and strikes, but I asked the local leaders on the 31st to let me know what they were. I give them below again in the order in which they were advanced, and so far as possible (I made notes at the meeting) in the actual words used by Mr. Sen Gupta. It may be mentioned that Mr. Sen Gupta admitted that he had called the railway strike (he added with the unanimous consent of the employees at Chandpur and Chittagong); it appeared to be unquestioned that the local leaders called the 'hartal', while the steamer strike was described as sympathetic and controlled by Mr. Nurul Haq, president of the connected union.

(i) The "atrocious" assault by the Gurkhas with the knowledge and consent of the railway authorities.

(ii) Placing Gurkhas at the railway station and intimidating the staff.

COMMENT.—When the railway struck, the station officers asked for protection for the valuable goods stored in the sidings etc. At the same time Mr. Andrews was pressing Mr. De to remove the military police from the town as their presence, he said, was exasperating feeling. (They were quartered on the morning of the 21st in an empty school building.) The Commissioner accordingly sent half the number to the railway station.

(iii) Criminal assault on the railway staff.

COMMENT.—I was handed the printed statement of the chief transhipment clerk in which it is alleged :—

(a) That on the 21st a Gurkha had assaulted one of the loco. staff named Washed at Kalibari station. (This is the town station, just outside the main terminus.)

(b) That the Gurkhas took water from the taps at Kalibari to the annoyance of the staff and their families.

(c) That on the night of the 21st "a Gurkha roughly handled me and said "Mat jao." Fortunately the agent of Messrs. Bird and Co. intervened and I was allowed to go."

(d) That on the 24th a transhipment clerk was pushed by Mr. Rope.

COMMENT.—The latter admits turning him off the flat where he considered he had no business. It is admitted that later Mr. Rope said he would express his regret.

(e) Suppression of facts throughout the line relating to the occurrence at Chandpur, and the allegation by the staff at Chittagong that there had been no assault.



COMMENT.—I observed that I had just seen a telegram from the Collector of Noakhali asking what had actually happened as “he” did not know, and that ignorance at Chittagong might be intelligible. It was, however, asserted that the suppression was deliberate.

(f) Forfeiture of pay of railway employees in respect of the 4th May (when there had been a previous strike) and other railway grievances,

COMMENT.—I did not go into details.

(g) That they wanted to change the policy of Government with reference to the refusal of help towards the repatriation of the coolies.

(h) That they wanted to compel Government to stop interfering with steamer and railway companies from giving facilities and concessions in connection with these coolies.

COMMENT.—I explained that Government never had interfered, had no power to interfere, and no wish to interfere. That there had been some misunderstanding of a letter from the agents by the local steamer staff, but that this had been explained to Mr. Andrews in Darjeeling on the 26th May.

I asked Mr. Sen Gupta to which of these reasons he attached the most importance. He replied that he would rather not say, but added that if the attitude of Government changed with regard to repatriation, other things might be settled. On the 1st June Mr. Andrews confirmed that the repatriation question was the crux of the matter.

#### Question of Repatriation

I had been previously told by Mr. De that Mr. Indu Bhusan Dutt, M. L. C., had visited Chandpur and offered to give a further Rs. 1200 from Mrs. K. C. De's Relief Fund for the repatriation of the coolies, his offer being refused. I asked the local leaders if this was correct, and it was admitted. The explanation offered was that any money connected with Mr. De's fund would not be taken; that on account of Mr. De's behaviour they did not wish to take Mr. De's money. I asked them if this was true of the coolies themselves. Mr. Sen Gupta said that it was; the coolies said they would not touch Mr. De's money; they had not told him so, but this was the impression he got from the local leaders. He continued that his impression was that they would not take Government food or Government money. Hence Mr. Andrews proposal (of a Government contribution to a general fund). I asked Mr. Sen Gupta what would happen if I took a steamer up to the camp and said that it was a Government steamer. He said, he thought the coolies would refuse to use it, “though the leaders might persuade or compel them.” The actual words used are significant. Babu Hardyal Nag gave it as his opinion that the coolies were so distressed that they



would accept. This was after I had remarked that if the strike was to last till Government repatriated the coolies and if the coolies would not be repatriated by Government, there was somewhat of a deadlock.

#### Interview with Mr. Andrews

Lastly I should mention my interview with Mr. Andrews on the 1st June. As is known, the proposition put forward by him was that Government should contribute Rs. 5000 towards the general subscription for the repatriation of these coolies. I explained to him the objections as we saw them, to our doing so. He said that he was anxious that Government should participate, but he also stated that in Calcutta the Marwaris has assured him of "unlimited" funds. I went through with Mr. Andrews the interview I had had with the local leaders, and impressed on him that if he repatriated the coolies Government would be quite willing to send medical help along with them and to warn officers "en route" to help them. I may mention that both the Railway and Steamer Companies have promised concession rates to Mr. Andrews. It is also noticeable that between the 21st and 30th, Rs. 4096 had arrived in Chandpur by money order to the address of Mr. Andrews and Babu Hardyal Nag, apparently from sympathisers.

On my way through Goalundo on the 29th, the steamer strike being then in progress, I was told that Swami Biswananda and the son of Mr. C. R. Das were in charge. The former was reported to have stated that he intended to bring Government to its knees. On my way back Mr. C. R. Das and a party were there. There were more boats anchored there and the non-co-operators were feeding the crews and the coolies of Messrs. Bird and Co. The local officers thought they must be spending some Rs. 600 or 700 per diem. The local non-co operators had wired to Babu Hardyal Nag for funds, and some had been sent, though not as much as had been asked for.

#### Conclusions

In the light of all these facts—merely to deal with the question in its aspects as they concern these coolies—I think it is impossible to resist the following conclusions:—

(i) These coolies had to be moved away from the railway premises ; they would not have moved had some force not been applied to them ; it is impossible in a melee to assess the weight of each blow, but however regrettable it is (and it undoubtedly is) that some were hurt, the force used was, looking to all the circumstances, not excessive. The whole incident has been the subject of malicious exaggeration, and I am satisfied on the evidence of the



eye witnesses of the scene whom I examined that the story that bayonets were used is wholly without foundation.

(ii). For the local relief of these people the officers of Government did all they could. They were impeded, and finally frustrated, in their efforts by the action of the non-co-operation party. Mr. De reported on the 21st May, "I offered them (the local leaders) every possible help in men and money towards housing, sanitation and even feeding them (the coolies), but the offer was not accepted." The offer of help is still open but has still been refused.

(iii). The calling of a 'hartal' and the two strikes has seriously prejudiced the welfare of the coolies, while the time of Government officers which should have been devoted to these coolies has necessarily been diverted to counter measures, and all relief operations have been gravely hampered.

(iv) The hartal and strikes in their present form are instigated by political aims, and are merely a form of direct action. The welfare of the coolies has become a subsidiary issue with the local leaders. In this connection it is impossible to ignore the easy success gained by the non-co operation party in a general strike in Chittagong on the 4th May; there is every indication that this result encouraged a similar policy in Chandpur.

(v) By their action the local leaders on two occasions (in connection with the second batch which Mr. Andrews wished to repatriate, and the offer of Mr. Indu Bhusan Dutt) have definitely prevented the removal of some who might have been conveyed elsewhere. The continuance of the steamer strike absolutely prevents any further movement of these coolies. Mr. Andrews at the moment is in a position to arrange for the repatriation of these men at once. If anything prevents him, the responsibility is with the local leaders.

Mr. Andrews made a point of asking me that if a second communique was issued it should be made clear that Government had no objection to the exercise of private charity and that the object was deserving of private charity. Government, of course, have not, and could not have any such objection, while the miserable condition of these men can only excite the sympathy of all.

#### Attitude of Government

19. In a communique dated the 26th May the Governor in Council expressed the opinion that he could not properly undertake from public funds the repatriation of those coolies from Chandpur, and he thinks it desirable to state plainly the principles upon which that decision is based. The principle by which the policy of Government is determined is that in the case of labour disputes to which Government itself is not a party and of the merits of which this



Government is not the judge, its attitude should be one of neutrality. It is not the duty of the Bengal Government to side with one party or the other. To do so would be to intervene gratuitously in favour of one party to an industrial dispute and to create a most dangerous and unjustifiable precedent for the future. That is not to say that Government does not recognise the duty of ministering to the sick and actually destitute in accordance with the dictates of humanity. Throughout the controversy excited over the exodus of these coolies from Assam, Government has acted consistently in accordance with these principles. From motives of humanity and in the interests of the health of the province, they have already incurred considerable expenditure in relief of these coolies and in the prevention of disease. In the interests of public health they have been forced, as the lesser of the two evils, actually to move those coolies who, in one way or another, have reached such distant places as Naihati and Asansol. But these cases can be differentiated from the position at Chandpur and Goalundo. The initial action of the local officers in sending off some coolies at the public charge was instigated by the quite intelligible wish to prevent a situation of much difficulty, and it will, of course, be ratified. Such action, however, cannot be accepted by Government as justifiable as a normal procedure.

The conduct of the local leaders, with such outside help as they are deriving from the non-co-operation party, has rendered far more difficult a situation which was already difficult enough. In the alleged interests of the coolies they have seriously prejudiced their health and welfare. Government has never attempted, nor does it propose to attempt, to prevent charitably disposed persons from repatriating such coolies as are fit to travel without danger to the health of the province. The sole obstacle to their repatriation at the present time is the action of the local leaders and other non co operators in engineering strikes on the railways and steamer lines with the intention of achieving a purely political purpose. Of the disinterestedness or otherwise of such action Government is content to leave it to the public to judge.

The local Government gladly recognise the philanthropic help which many of the volunteer helpers have rendered. That great suffering has prevailed among these coolies since their arrival in this province is undeniable and must be a matter of regret to all ; the risk to the general health of the province is also undeniable. That risk the local Govt. are endeavouring to mitigate, and any private charity in the relief of all this misery is to be commended.

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# Non-official Enquiry Committee Report on The Chandpur Gurkha Outrage

The following is the Report of the Non-Official Enquiry Committee appointed by the Tippera Congress Committee to enquire and report on the Chandpur events of the 19th and 20th May 1921.

To The President,  
Tippera District Congress Committee.

Sir,—In pursuance of a resolution of the District Congress Committee, dated 9th Jaistha, 1328, B. E., corresponding to 23rd May, 1921, electing us as members of a Committee for an enquiry into the alleged assault on certain tea garden coolies at the Chandpur Railway Station on the night of Friday, the 20th of May last, we proceeded to Chandpur and began to hold our sittings from the 25th May. Before starting the enquiry we sent notices to (1) Mr. K. C. De, the Divisional Commissioner, (2) Mr. D. H. Wares, the District Magistrate of Tippera, (3) Hon'ble Mr. S. K. Sinha, Sub-Divisional Officer, Chandpur, (4) and Mr. MacPherson of the Tea Districts Association, intimating that they might cross-examine the witnesses giving evidence against them and also offer any evidence they chose.

The notices addressed to Mr. Shallow and Mr. MacPherson came back unserved as they were reported to have left the station already. The other notices were served on the addressees personally. The enquiry was a public one and everybody who desired to attend was allowed to do so. At the conclusion of the examination of each witness, the people present were given an opportunity to cross-examine him whether on behalf of the public or on behalf of the gentlemen concerned. In a few instances the witnesses were cross-examined on behalf of the public, but none appeared to cross-examine on behalf of the gentlemen concerned.

We held altogether nine sittings and examined 47 witnesses. They include 22 coolies of whom 18 received injuries, and the rest were in the party of the assaulted, 13 persons of the railway staff who saw the occurrence, 2 outsiders who also saw the occurrence, 2 gentlemen who attempted to make list of the people missing, 4 doctors who examined the injuries on the following morning and 4 gentlemen who saw the injuries immediately after the occurrence or shortly afterwards. The D. T. S. of the A. B. Railway, Mr. Purcell, who appeared to be an eye witness of the occurrence was served by us with a notice to appear and give evidence, but that gentleman did not choose to give his evidence.

We have been asked by the Congress Committee—(a) to collect a detailed account of the alleged assault on the coolies at Chandpur Station on the night of Friday, the 20th of May, by Gurkha soldiers; (b) to ascertain who among the officials are responsible for the alleged assault and, to what extent; and (c) to ascertain all other matters connected therewith. The subject of our enquiry naturally divides itself into five heads, viz., (1) The events of the night of the 19th May with special reference to their bearing on the events of the 20th night, (2) the events of the night of the 20th May, (3) the object of the assault, (4) the nature of the assault with respect to its gravity or otherwise, and (5) the responsibility of the officials for the same. We propose to deal with these points in the order mentioned above.



From about the middle of May last, large number of coolies, who made up their mind to go back to their village homes in U. P., C. P., Behar, Madras and other provinces, began to come down from the Assam Tea Garden, apparently destitute and unable to pay their fares for the journey. The local officials at first tried to make arrangements for their repatriation and this they appear to have done on their own responsibility. Some coolies were actually despatched in a Steamer chartered for the purpose. But soon after a change came over their policy, consequent upon the Government attitude towards repatriation of the coolies at their cost. Mr. MacPherson, a representative of the Tea Association came to Chandpur and with the S. D. O. approached the local leaders including Babu Haradaya Nag, with a request to try their influence in inducing the coolies to go back to the gardens. This attempt to induce the coolies to return to the garden failed and on the 19th May appeared as determined to go home as before. The number of coolies who had got assembled at Chandpur by that date was over 2,000. The local officials being apprised of the Government attitude had made no arrangement for transport of the coolies or any of them on the 19th. But it does not appear that any attempt was made to communicate this fact to the coolies concerned. As a necessary consequence there was a great rush for boarding the steamer that was to leave for Goalundo the next morning, and this attempt was possibly intensified by the presence of Mr. MacPherson at Chandpur trying to induce the coolies to go back to the gardens.

We get it from the evidence of witness No. 14 and witness No. 37, that between three or four hundred coolies had already got on board before the S. D. O. arrived to stop the coolies from boarding the steamer. Mr. MacPherson of the Tea Association also accompanied the S. D. O. and was allowed to take an active part in preventing the coolies from getting to the steamer. The gangway between the steamer and the receiving flat was removed. On account of the removal of the gangway some coolies, two according to witness No. 14 and a few according to witness No. 37, fell into the river. According to witness No. 37 these coolies were subsequently rescued by local coolies in the employ of Messrs. Bird & Co. A very large number of coolies who were occupying the flat as also the gangway between the flat and the riverside, were then driven towards the Railway Station by the Police under orders of the S. D. O., both the S. D. O. and Mr. MacPherson accompanying and helping the Police. The coolies squatted themselves on the ground as soon as they got to the river-side. But they were not allowed to remain there. They were again driven towards the 3rd class passengers' waiting shed at the Railway Station. Here again they began to take their seats on the ground just as they got in front of the waiting shed. Unfortunately, the Sub-Divisional Officer in his anxiety to get the coolies enter the passengers' shed, happened to strike with the stick he had in his hand an old woman who was with the coolies. The woman caught hold of the stick and began to cry. This had the effect of exciting some of her male companions, who took up the cane sticks which they had with them, and began to pursue the S. D. O. and possibly Mr. Macpherson also towards the flat and in a threatening manner as we get it from witness No. 37. This witness further states that the S. D. O. fell down tumbling on something on the way. He then got back to the flat where he was quite safe. This is about the incident of assault on the S. D. O. that took place on the night of Thursday, the 19th May.

The Commissioner, Mr. De, in his conversation with Akhil Babu on the 21st morning referred to an assault on the S. D. O. and Mr. Macpherson. On Akhil Babu's question regarding the nature of the assault on the S. D. O. Mr. De said that one lathi blow was aimed at the S. D. O. but some body who was there warded it off. Of the witnesses we have examined, two were eye witnesses of Thursday night's occurrence. But they do not support this story of a blow aimed and warded off.



The stranded coolies were at Chandpur Station during the whole of the following day. It does not appear that the local authorities took care to inform them that no further arrangement was going to be made for their passage at the instance of the local officials. On the contrary we find that the coolies were deluded with false hopes by the police on the night of Thursday, that arrangement would soon be made for their transport. Babu Hara Doyal Nag realising the acuteness of the situation created by the presence of so many helpless coolies stranded at Chandpur had written to Akhil Babu, President of the Congress Committee to come to Chandpur. On receipt of the letter Babu Akhil Chandra Dutta, Babu Anang Mohon Ghosh, Secretary, Congress Committee and Babu Basanta Kumar Majumdar, left Comilla by the down morning train, reached Chandpur at 12 a. m. and went to see the coolies at 5 p. m. Being reminded of the occurrence reported to have taken place on the previous night, they took care to go to every batch of coolies and informed them that there was no arrangement for their passage that night, and told them they must not attempt to board the ordinary passenger steamer and that they must wait till suitable arrangement could be made for their transport. The coolies appeared quite willing to listen to this advice and all the witnesses on the point say that they were all very peaceful on Friday. They began to cook their meals with rice etc., supplied by the local people in the afternoon and went to sleep not long after dusk either in the passengers' shed or in front of it. It is in evidence that the police asked the coolies on the river side to get together in the passengers' shed or its immediate vicinity. Neither these helpless creatures, nor the people who befriended them in their forlorn condition, that is to say, the local people, knew what was in store for them that night. The matter of the assault on the S. D. O. and Mr. Macpherson was brought to the notice of the Divisional Commissioner Mr. K. C. De who, it appears, immediately wired for a batch of Gurkhas from Narayanganj.

The Gurkhas arrived at 7-30 p. m. and were marched to the station. There were two trains to leave, the Mail at 8-40 p. m. and the mixed at 9-30 p. m. The second of the two trains appears to have left a little later than the usual hour of departure, and 10 or 15 minutes after, at about 10-30 p. m. or so, the Gurkhas were ordered to clear the station of the coolies who were sleeping there—male, female and children. The beginning of the assault is thus described by witness No. 38, Babu Charu Gopal Ghosh, Head Transshipment Clerk of the A. B. Railway. "The Gurkhas at first gently kicked the coolies and asked them to get up. That was only for a very short space of time; then the Gurkhas became furious, began to kick more violently and to beat the coolies with lathis and butt-ends of their guns." As the gentlemen of the Ry. Staff felt shocked at the atrocities and complained to the D. T. S., Mr. De at first wanted to minimise matters saying that the Gurkhas were "beating at the 'ma's' of the coolies." But as tangible instances of severe assault began to grow in number and as even Mr. K. C. De could not stop excesses, he had to carry through the S. D. O. a message to the Commander of the Gurkhas to order discontinuance of the assault. And when at last the Commander sounded his whistle, the assault stopped. With regard to the period during which the assault lasted, it is given variously as five to fifteen minutes by the witnesses who have spoken to its duration.

We get it from the eye witnesses of the occurrence and also from gentlemen who came up and saw the coolies immediately after the assault, that some of them including females and children, were very severely assaulted. Some 7 or 8 in number were left disabled at the 3rd. class passengers shed. Some of the coolies who were being led towards the town had among them persons who had to be helped while walking. Some feeling exhausted, sat down or



lay down on the road side. A good many were bleeding and some profusely. But the responsible officers of the Government under whose orders and in whose presence all this was done, did not care to enquire what injuries were caused or if any medical help was necessary. The only instructions Mr. De left was to ask some of the Railway staff to allow the coolies to come that night or the following morning once only and that for taking away their belongings and to ask the Police to see that the coolies might not return to the station obviously for a sojourn.

We do not know if the officials at Chandpur were of opinion that the coolies had committed an offence because they refused to go back to the gardens. If they were not of this opinion, then apparently the Gurkhas were requisitioned for the purpose of teaching a lesson to the entire stranded coolie-folk for the fault or supposed fault of one or of a few among them. We cannot say that the assault on the S. D. O. on Thursday night was altogether unprovoked. But it seems that the responsible officers of the Government immediately on report of the assault on the S. D. O. and Mr. Macpherson made up their mind to wire for Gurkhas from Narayanganj. That the assault through Gurkhas was of deliberate character is clearly brought out in the following portion of the conversation between the Commissioner and Akhil Babu :—

“Akhil Babu—Where did they (the Gurkhas) get the lathies from ?

Mr. De.—These were the lathies which the coolies had with them—precisely those ones with which the S. D. O. was assaulted on the preceding night.

Akhil Babu—But did you not tell me that only one lathi blow was aimed at the S. D. O. ? It is quite clear that it was an unjustifiable and unnecessary attack. Besides, the hour selected for this purpose was very improper. Could you not wait for a few hours more and disperse them the next morning ?

Mr. De.—We were waiting for the arrival of the Gurkhas. After their arrival the two trains left and almost immediately after we dispersed them.”

The gist of the above in plain language is this :—Without the Gurkhas a sufficiently effective lesson could not be taught. So Mr. De and others had to wait till the arrival of the Gurkhas and then there were the impediments of two trains and their passengers leaving the station. As soon as these impediments were removed, not a moment's time was lost.

We get it from witness No. 17, Basanta Babu, that the Narayanganj steamer carrying Gurkhas arrived at 7-30 p.m. and the Gurkhas were marched to the station yard at 8 p. m. This gentleman and other witnesses say that the station began to be cleared of all outsiders from after the first train had left. By the time the second train, the last for the night, left Chandpur Station, the compound was practically cleared of all outsiders. Basanta Babu with two companions managed however to stay in a hotel, 50 yds. distant from the passengers' shed. The D. T. S. gave instructions to the people of the Railway staff to see that persons off duty, should not remain at the station at all and those, on duty should either be in the station building or be in uniform. One gentleman, a Transshipment clerk, who resides on the flat at the steamer ghat attempted to come to the scene on hearing cries but was prevented by the Police from doing so. Thus we find that not only was the station compound sought to be cleared of all outsiders but special care was taken to post Police guards to see that outsiders could not come to the scene when the assault was being made. Add to this the fact that the station lights were put out, at least for a few minutes just as the assault was going to be made. Mr. De said that it was the doing of a 'budmash.' There is no doubt that it was the doing of a Budmash, but what remains to be explained is why should the Budmash be playing pranks just at the psychological moment when a dark deed was to begin.



The deliberate character of the assault is also clear from certain admissions of the District Magistrate and the Commissioner and from certain circumstances connected with the assault. When Akhil Babu remarked that the impression of the people was that it was done deliberately in retaliation, Mr. Wares said : "This was done to produce an impression." And again in reply to Akhil Babu's question :—Why disperse them by force ?—Mr. De said, "Before dispersing them we declared them to be an unlawful assembly under the Criminal Procedure Code. I found out the section for the District Magistrate at 5 P.M. Thus, before the arrival of the Gurkhas the Commissioner and the District Magistrate laid their heads together for finding out under what particular Section of the Procedure Code the coolies would be declared an unlawful assembly in case of their failure to perform an impossible condition. A large gathering of practically sleeping people with babies and children among them and some luggage too, is disturbed in their sleep at dead of night and asked to get up and go, nobody knows where. Naturally they would remonstrate as some of the coolies, particularly female, say that they did. It does not appear that the poor coolies offered or were able to offer any resistance beyond expressing an unwillingness to depart at once. Mr. Andrews says that they had neither the power nor the heart to offer any serious resistance. To understand what Mr. Andrews means by saying that the coolies had not the heart to offer any resistance we need refer only to that portion of his evidence where he speaks of the coolies particularly female laying themselves prostrate at his feet and also placing their babies at his feet, the very first time they met him. It was merely a kindly look from Mr. Andrews which enabled him to win their hearts at the very first sight of himself. Considering their famished condition and also the fact that there was so much consternation among the coolies that even mother left their babies behind it is unthinkable that any resistance should have been offered. Mr. De admitted in his conversation with Akhil Babu that the coolies offered no resistance either before or after the assault. They were called on to depart without being given a moment's pause and were declared an unlawful assembly on failure to depart immediately and a brutal assault was at once begun. That no time was given is admitted by Mr. De in the following portion of his conversation :—

Akhil Babu.—"Was there any interval between the moment when they were asked to clear and the moment when the beating actually began,"

Mr. De.—"No hardly any."

Then there is the additional circumstance that persons of the Station staff were warned through the D. T. S. about the occurrence that was likely to take place long before it actually took place. So there is absolutely no room for doubt that the assault was a premeditated one and in retaliation for the assault on the S. D. O. and Mr. Macpherson.

That there was some assault more or less severe on the coolies is now admitted. But as to this also the gentlemen concerned do not appear to have been able to make up their mind immediately after the occurrence. According to most of the witnesses of the Station staff the S. D. O. was present at the time of the occurrence. One witness has further said that the whistle for stopping the assault was sounded after the Hon'ble S. K. Sinha whispered something to the Commander of the Gurkhas. This gentleman went the next morning to the house of Hardayal Babu and offered help in the form of food for the famished and medical relief for the sick among the coolies. Ananga Babu, witness No. 44, who was there at the time, naturally referred to the assault by the Gurkhas upon the coolies on the preceding night. The S. D. O. with an air of surprise said that the whole thing was a lie, that the Gurkhas did not raise their little fingers and that Mr. De, was not at the Railway Station at all. Mr. De also expresses some surprise when he heard that injuries had been caused in the assault. But



when Akhil Babu pressed him with his personal testimony of injuries seen immediately after the occurrence. Mr. De remarked that the fact of those injuries had not been brought to his notice. This remark is made by a gentleman who was present at the occurrence giving orders for the assault, trying to prevent excesses and failing to do so, sending instructions to the Commander to order stopping of the assault. The Commissioner said to Akhil Babu, "I pulled back with my own hands one of the Gurkhas whom I noticed causing excessive injury." Referring to the same incident witness No. 3 Probodh Chandra Mustafi, Booking Clerk, says: "I saw a sick coolie, a woman and a child entangled in the wooden bar in front of the ticket office in their attempt to get away and being mercilessly beaten etc. And I also saw the Commissioner preventing further assault. Even after that the Gurkhas assaulted these people twice." Yet another witness viz., No. 38 says: "A coolie had fallen down near the first class ticket window, on being assaulted. He was raised up by the Gurkha assaulting him who began beating again. The Commissioner interfered and seized the Gurkha by his hand. The Gurkha did not appear to give up beating but soon after, the whole assault ceased." Finding it desperate to maintain that there was no assault at all, the officials subsequently thought it prudent to admit it. But while the factum of the assault is now admitted, various other motives have been suggested in the Government Communique and reports issued under the instructions of the District Magistrates of Tippera, Noakhali, Chittagong and other places, shortly after the occurrence. These alleged motives however will not stand scrutiny. One motive alleged was that the Station yard was entirely blocked, all work was at a stand-still and passengers could not get through on account of the presence of the coolies. Two trains passed one after another and no passenger is reported to have been left behind. The people of the station staff who alone could complain if there was any blocking or if work was at a stand-still emphatically deny that it was so. They were rather shocked at seeing people sleeping peacefully being attacked at dead of night and assaulted. One gentleman, Charu Babu witness No. 38 charged the D. T. S. with having connived at what was taking place and the D. T. S. shirked all responsibility by saying that he had "no hand in the matter."

Another motive suggested, and this came to our notice after we had finished the evidence of the Railway staff, was that the station precincts were in a very insanitary condition on account of the presence of the coolies and that cholera had broken out among the Railway staff and had extended to the town. Akhil Babu was questioned by us as to whether any such suggestion had been made by Mr. De to Akhil Babu and the reply was that no such suggestion had been made. There is no evidence before us that cholera had broken out among the Railway staff or that the station precincts were in a very insanitary condition on account of the presence of the coolies. If that was a fact there is no reason why the persons most interested viz., the persons of the Station staff, never complained of any such thing. Besides driving away the coolies to a field close by, but still within the station compound, would not improve matters or prevent cholera from extending to the town, if there was any cholera at all which might extend. If the object really was to clear the station on grounds of sanitation it might have been accomplished merely by a verbal request to the local leaders, or if any show of force was necessary, half a dozen constables or menials of the Railway Staff would have sufficed, if the attempt was made during day-time instead of postponing it for the night.

Everybody admits that the coolies were peaceful on the 20th May and they made an attempt to board any steamer. So, we need not be detained long in discussing the question as to whether the assault was necessary for preventing any attempt on the part of the coolies to board the steamer. If there was any apprehen-



sion of such an attempt being made, it would have been quite sufficient if a detachment of Police or soldiers was posted to guard the gang-way to the receiving flat.

4. Now, while the assault is admitted, it is not admitted that any injuries or serious injuries were inflicted or that any bayonets were used, and the gravity of the assault has been attempted to be minimised.

Those of the station staff that were on the scene of occurrence prove that injuries were inflicted with lathis, butt-ends of guns and bayonets. The injured people were seen immediately after the occurrence by Akhil Babu, Ananga Babu and others. Ananga Babu took notes of the injuries and gave up the attempt when he found that the number was very large. Basanta Babu, who collected the coolies at one place, says that about one hundred people were injured. Dr. Suresh Chandra Sur M. B. personally examined and took notes of nine cases. Doctor Narendra Kumar Brahmachari examined and took notes of 17 cases while Doctor Guru Nath Bose took notes of 7 or 8 cases; the latter's notes were missing at the time of his examination. Besides these there were slight injury cases which were not noted at all. The injury cases were attended to by Babu Jogesh Chandra Sur M. B., Babu Narendra Kumar Brahmachary B. Sc. and a student of the Medical College who has just appeared at the first M. B. Examination, Dr. Guru Nath Bose, a medical practitioner of about 22 years' standing, and Dr. Amir Hossein of the Mission Hospital. They prove the infliction of bruises, sprains, fractures, incised cuts and punctured wounds. From the nature of some of the injuries caused they are decidedly of opinion that the point and the sides of bayonets were most likely used in causing them. In addition we have examined some of the injured persons who speak of the use of lathis, butt-ends of guns and bayonets. These are witness Nos. 8, 19, 21 to 36, altogether 18 persons. To decide whether bayonets were used in the assault, let us first take the case of witness No. 8, Asuda. Witness No. 5, who examined her wound on 21st May, says—"She had one punctured wound on the posterior surface of the right elbow-joint probably caused by a pointed weapon, such as the bayonet of a gun incising one of the deep arteries. The wound was bleeding profusely even then. The whole body and major part of her cloth were covered with blood. She was sent to the Mission Hospital as I thought the artery should be ligatured at once, etc." The Mission Hospital Doctor, witness No. 16, referring to this particular wound on Asuda says—"The second wound was a punctured one on the outer side of the right elbow. It was one inch deep caused most probably by a sharp-pointed weapon such as a bayonet." Besides the evidence of these two medical men, we have the direct evidence of the woman herself who says that she was "struck with something attached to the upper part of a gun." Let us next take the case of Lachmania Witness No. 44—Ananga Babu saw her immediately after the occurrence. She was being helped by two other coolies, crying piteously and complaining to her right arm being broken. She was bleeding profusely from a second wound on the head, her scanty cloth being soaked in blood. The wound on her head appeared to be an incised wound 4 inches long. Mr. Andrews who came to Chandpur on the evening of the 21st May saw next morning the injuries on 5 or 6 persons. He admits that he did not see more of the wounded coolies than these 5 or 6. One of those he saw was perhaps the girl Golasa about whom witness No. 5 says that the injury below her right eye "was a deep punctured wound caused probably by the end of bayonet." Though Mr. Andrews seems to be of opinion that it was not caused by a bayonet, he admits that he has no expert knowledge on the subject, that his examination did not extend beyond a mere look at the injury, and that he did not even touch the wounded portion with his finger.

Witness No. 6 records two or three cases of dislocation and fracture. He names Sowkai (male), late of the Balisira garden, as having a simple fracture



of the radius at the proximal end below the tubercle. Jugua (male), late of Balisra garden, as having one proximal right ulna fracture and one fracture of the fibula; and Suklal, late of Kowara line garden, as having a dislocation of the first right metacarpal. Lots of sprains were caused by hitting with butt-ends of guns, one case being that Jhumki (female), witness No. 36, who had a sprain below the right nipple extending over 8th, 9th and 10th ribs up to the coastal as we get from witness No. 6. The patient complained to the Doctor of extreme pain and was screaming while being examined. We examined one woman, witness No. 25, who was unable to stand from when she was assaulted and was in that condition when we examined her i.e. about a week after the occurrence. As there was some difficulty in finding out the wounded people we could not examine them all.

As to whether any body got killed as a result of the assault is not very clear. Some babies were left behind at the time of the occurrence and witness No. 15 says that five such were found and were restored to their parents. Witnesses Nos. 9 and 14 speak of some coolies still lying in the waiting shed when the assault was over. Witness No. 14 did not go near to see their condition. Witness No. 22, a cooly, says that he went to bring his luggage from the passengers' shed after the assault had ceased and saw 5 persons, 2 babies and 3 men killed. Witness No. 41, a cooly, says that he had a diseased sister and her diseased husband in the waiting shed at the time of the occurrence and they are missing since. Witness No. 41, another coolie, complains of his brother, brother's wife and their son being missing and not traced since then. It is however not possible to a definite finding as to whether any body lost his life in the assault.

5. The last point we have to consider is who, if any, among the officials are responsible and to what extent for the assault on the coolies. We find that Mr. K. C. De, Mr. D. H. Wares, the Hon'ble S. K. Sinha. Mr. A. Shallow all officials, and Mr. Macpherson a non-official, were present at the time of the occurrence. The Railway staff witnesses say that Mr. K. C. De gave the orders for the assault. Mr. De also admitted to Akhil Babu that he had given the orders, but he qualified his statement saying, "really Mr. Wares also accepts responsibility for giving orders." Whoever might have actually uttered the words giving order it is quite clear that the assault was a premeditated one and decided on presumably after conference among the responsible officials present at Chandpur at the time, we mean Mr. De, Mr. Wares and the Hon'ble Sinha. At any rate the responsibility is divided between Mr. K. C. De and Mr. D. H. Wares. The S. P. was present at the time of the occurrence but it is not quite clear what part he actually played or whether he had any hand in deciding on the assault that was to have been made.

With these findings and observations we conclude our report and submit herewith the copies of the proceedings made over to us and the evidence taken by us. One of our colleagues Moulvi Ashrafuddin Ahmed Choudhury who attended some of the earlier sittings but was unable to attend some subsequently could not join us in drawing the report and signing it.

We have the honour to be  
Sir,

Your most obedient servants,  
(Sd.) J. M. Sen Gupta

PRESIDENT

(Sd.) Ranga Chandra Bhattacharjee

(Sd.) Upendra Chandra Mitter

(Sd.) Ramani Mohan Dutta

SECRETARY



## Non-official Committee's Report On the Malegaon Riot

The following are important extracts from the report of the non-official committee of enquiry into the Malegaon disturbances of April 1921. The Committee was appointed by a resolution of the Marhatta Provincial Conference and consisted of the following members : Messrs. N. C. Kelkar, (Chairman) S. M. Paranjpe, V. J. Patel, I. M. Mehta, V. G. Khetkar, N. H. Maoji, C. V. Vaidya and Mamlaid Abdul Alim, of whom the last two gentlemen did not accept their appointment. The committee sat for 4 days and examined thirty witness on the causes of the disturbances and incidental circumstances. All the witnesses were examined in camera. The report says that under the terms of reference the committee is not concerned with the enquiry regarding the guilt or innocence of any person but has to confine itself solely to the previous history of the occurrences and to ascertain whether, how far, and in what particular manner either Government officers or persons concerned in the political agitation at Malegaon during the previous few months, were responsible for the riot as remote or immediate contributing causes.

### The Report

It appears that the town of Malegaon in the Nasik District with a population of some 25,000, a majority of whom are Mahomedans has been the scene of one or two riots during the last 40 years. But while in previous years the line of cleavage lay along religious differences between Hindus and Mahomedans, in recent years they have covered entirely new ground. It has been stated before us that 12 years ago the local Mahomedans were split up into two factions owing to differences in policy. One section took the name of "Hidayat-I-Islam" and the other called itself "Bidahil-I-Islam." The tendency of the "Hidayat-I-Islam" party was and has been to be on good terms with the local official world, while the other school has been taking up an independent attitude under the guidance of non-official local leaders. It is easy to see how the working of two such different policies would develop and extend to spheres of activities other than communal. The elected municipal councillors at Malegaon have mostly belonged to Bidahil-I-Islam party while the Hidayat-I-Islam party has generally supplied the nominated men to the Municipality.



Events, which have so deeply stirred the whole of India during recent years, did not leave Malegaon untouched. Here there has already been in existence for several years a Taluka Congress Committee, and a Khilafat Committee was organised 15 months ago owing to the exertion of a Hindu worker Sonu Gowande. Since then Hindus and Mahomedans worked together in all public activities under the auspices of the Khilafat Committee, though no Hindu was actually a member of that body. Hindu-Moslem unity, which is now such a happy feature of public life in India, was also being increasingly cemented at Malegaon. Joint meetings were held to offer prayers for the recovery of the late Lok. Tilak during his illness and subsequently to express public grief at his demise. But a surer test of the Hindu-Moslem unity could be recognised in the determination of both the communities in refusing to apply for permission from the local police for the public immersion of of Ganapati and Taboots at the end of the Ganapati and Mohorum weeks which happened to coincide last year.

It is not surprising that the Moderate element amongst the Hindus and Muhammadans did not altogether approve of the infusion of a new life in Malegaon during the last fifteen months. The Hindu moderate leaders were few in number and they were also educated men. Their activities therefore, by way of opposition to the new workers, were more covert. The moderate Mahomedan leaders of the Hidayat-i-Islam party were less restrained. They openly opposed the Khilafat movement in Malegaon and tried to dissuade the people from attending meetings convened under the auspices of the local Khilafat Committee.

#### Starting of a Khilafat Fund

The differences between the opposing parties would not have perhaps come to a head, had it not been for the starting of a Fund called the "Imdad-ul-Islam Fund." After Maulana Shoukat Ali's visit to Malegaon following the Nagpur Congress, the idea of National Education took root in the minds of the local people ; and Mahomedan public opinion began to insist on Government grants to the existing Madrassas being given up. It was suggested that if all the Momin weavers of Malegaon contributed one pice each to the fund for each sari sold by them to the merchants, the money necessary for the upkeep of National Schools could be easily collected. The suggestion met with ready acceptance by the weavers. The merchants, who purchased the saris from the weavers, were not to be called upon contribution on their part if they deducted one pice per sari from payments made to each Momin weaver, kept the money thus collected with them, and eventually handed it



over from time to time to the collectors or the agents appointed for the purpose.

The Imdad-ul-Islam Fund was started in the month of February 1921. The objects of the fund were among other things the promotion of National education in Malegaon and the relief of the distressed in Smyrna. All went on very well for some days. Very soon, however, the managers of the fund were confronted with opposition of two different kinds from two widely different quarters. Complaints began to be made by some of the leading Non-co-operators, both Hindus and Mahomedans, against the administration of the fund. In particular they alleged that part of the fund was being diverted from its original purposes and was spent on defraying the travelling expenses of certain Moulanas the tone of whose speeches the complainants did not approve. It appears from the evidence that the managers of the fund thereupon agreed that in future the fund would not be so diverted, which promise, however, does not appear to have been kept.

But the more direct and uncompromising opposition to the fund came from the side of the co-operators consisting of the Hindu and Mahomedan Moderates; and the latter formed the bulk of Hidayat-i-Islam party including a dozen weavers and merchants. They were opposed to the very idea of the fund as being something inimical to the Government and they complained to the authorities from time to time that coercion and intimidation were being resorted to by the organisers of the fund in collecting it. It was alleged that the volunteers carried sticks in the bazar with a view to terrorise the opponents of the fund. We have stated elsewhere how far these complaints were well founded. But the differences between the supporters and the opponents of the fund were accentuated by the tactless conduct of some of the Khilafat people in publicly ridiculing the opposing merchants by parading donkeys in the streets with placards round their necks bearing the words "don't sell saris to these donkeys." The ill-feeling which was thus generated was deepened by the declaration of a social boycott against the few co-operating weavers and merchants who were opposing the fund.

This had thus gradually advanced to a stage when official intervention might be regarded as a handy solution by the co-operators; and it appears that they made complaints to the District authorities both against the volunteers and the organisers of the fund. These complaints brought Mr. Mobedji, the Prant Officer, to Malegaon for the purpose of making an inquiry into the whole affairs; and after full investigation, both public and private, he declared that no coercion was practised in respect of the Imdad ul-



Islam Fund. Further, Mr. Mobedji declared at a public meeting that it was not the intention of Government in any way to interfere with the fund so long as its collection did not lead to any breach or peace. This did not evidently satisfy the co-operators who continued their complaints to the authorities—more particularly against the volunteers,—and Mr. Mobedji had again to go to Malegaon to smooth matters. We are glad to note that throughout his stay at Malegaon in the course of his visits, Mr. Mobedji's handling of the situation had been particularly fair and tactful, although of course we are quite ignorant of the actual reports he made to the Collector of the District in this matter.

#### Carrying of Sticks by Volunteers.

In our opinion no coercion was practised in the matter of the Imdad-ul-Islam Fund and in this we have probably the support of the Deputy Collector, Mr. Mobedji himself. With regard to the carrying of sticks by the volunteers there is no evidence that they were used for the purpose of coercion. There is also very little reliable evidence to show that the volunteers were at all engaged for the collection of the fund. The collection was done by the special agency of men appointed for the purpose by the managers of the fund. We have been told of a procession in which the volunteers carried sticks; but if at all they did so it must obviously be for a spectacular purpose and certainly not for spreading terror among any class of people. No reasonable ground has been shown for apprehension that the volunteers would commit violence with their sticks and we are inclined to regard the objection to their use as more or less fanciful. In fact, we believe, having failed in their endeavour to stop the Khilafat agitation and the collection of the Imdad Fund, the co-operators firmly adhered to this complaint as a mere point of prestige and were insistently urging the authorities to uphold it. The suggestion that the volunteers should carry no sticks had in itself also a plausible colour of reasonableness, and on this point therefore, all further attempts of the co-operationists were concentrated.

#### A Manifesto by some N. C. O. Leaders.

While we are of opinion that no violence or intimidation was practised by the collectors of the fund or by the volunteers, we are bound to say that some of the other activities of the Khilafat workers were not altogether free from blame however slight. We have also some evidence to show that now and then the speeches made at public meetings by some Moulavis were highly inflammatory. It appears that once or twice a volunteer who took a vain delight in affecting a martial spirit carried even a (sheathed) sword in his



belt. It is not suggested that there was an underlying intention to commit violence with the sword, but even apart from the possibilities of violence it would be reasonable to object to a demonstrative conduct of that kind in a public movement which made at least a few people uncomfortable. Then again it is admitted that once or twice meetings of children were held in Malegaon in which Khilafat politics was debated upon and poetical compositions were recited which contained not only some very highly strung sentiments but a few positively objectionable words. We are satisfied that some of the leading Non-co-operators disapproved of these latter activities and they were of opinion that the Non-co-operation movement, including the collection of the fund, should be allowed to proceed without any complication. But differences of opinion arose as to the exact method by which this should be brought about. Some held the view that the intentions of the leaders in the matter should be made clear in writing so that there may be no mistake about them in the minds of their followers on the one hand and of the authorities on the other. Others took a different view ; they laid stress on the point that while the things objected to might be stopped in so far as and if they were practised, there was no necessity to make a public declaration about it. It is difficult to say whether the objectors to a public declaration adverted only to the technical and formal aspect of it, or whether they wanted things to go on as before in a loose and therefore convenient drift so that while legal consequences may be taken of whatever happened there should be no ground for a stigma on them of having done an act or acts in direct violation of the written declaration of the Non-co-operation leaders. It is clear at any rate that the question of a public declaration was not deliberated and voted upon in a formal meeting of the Non-co-operation party ; and one section of the leaders, probably considering themselves free to do what they thought proper under the circumstances, issued on the 1st of April a manifesto in which while the principles of non-violent Non-co-operation were explained at some length a distinct prohibition was promulgated against the following practices, viz : (1) to attend meetings or parade streets with big sticks and arms, (2) to recite anarchical or seditious songs and versical compositions, (3) speeches by specially invited lecturers inciting to anarchical principles or outrages, (4) use of language likely to wound the feelings of individuals, (5) holding meetings of children for political harangues. This conduct on the part of the signatories—11 in number—was openly objected to and criticised by some of the Maulavis and by other Khilafat workers. The signatories to the manifesto on the other hand regarded that they had done a clear duty which they owed not



only to themselves but to the party and the principles of Non-cooperation. Those who objected to the manifesto contended that they entirely agreed with the spirit of the manifesto but objected to it as superfluous especially as the 11 signatories had not consulted the rest of them before issuing it. It was openly stated before us that the rest of them might have also signed if the manifesto were circulated among them before its publication. But we doubt the statement. We think the non-signatories protest rather too much when they say that their only objection lay in the fact that they were neglected. A mistake of that kind could have been easily remedied by a supplementary manifesto but we believe that the non-signatories never wanted a manifesto of that kind.

#### Government prohibition to carry sticks

The eleven signatories thus found themselves in a position of isolation and suspicion. Their position became rather anomalous. Some of the co-operators doubted the sincerity of the signatories. One witness expressly stated before us that the manifesto was a mere eye wash. On the other hand their position was so completely misunderstood by the non-signatories and their followers that they came to be suspected as black-legs and tools in the hands of the authorities. And an incident happened on the next day that gave colour to the impression. On the 2nd day of April the authorities of Malegaon published a proclamation issued by the District Magistrate under the District Police Act. (The proclamation has not been produced before us by which one specific item in the manifesto viz, the carrying of sticks at public meetings, was prohibited. The proclamation we are told was really dated the 26th of March. The interval of days between its issue in the Collector's camp and its actual publication in Malegaon cannot be accounted for only by the time necessary for its transmission from one place to the other. The other plausible construction upon this delay is that the authorities wanted a previous non-official declaration upon the subject matter of the proclamation in order to strengthen it when it may appear later on. It may be argued that the Mamlatdar of Malegaon had no choice but was bound to publish the proclamation as soon as he received it, and that even if there was delay in the publication it was due to the course of routine business and not to the contingency of a non-official declaration which was to appear later on. But we are inclined to think that the idea of the non-official declaration must have been mooted some time before the 26th and that both this declaration and the official proclamation must have been simultaneously contemplated. This was all well from the official point of view but it was evidently calculated to put the signatories



in a false position. They were either trusted or not trusted. If they were, the official proclamation was superfluous and the signatories would be entitled to claim a fair trial of their credit and influence with the Malegaon people. If, on the other hand, they were not trusted, it was unfair to them to be called upon to make such a declaration because it was regarded practically of no use by the authorities themselves. In any case the signatories were prejudiced by the appearance of the official proclamation, in that they led the common people to point a finger of scornful suspicion towards the signatories as men in league with the Government and for which eventually they were on the point of paying. From the day of the official proclamation the signatories to the declaration were under a discount and hardly attended any public meeting and later on, one of them was made, we have been told, vicariously to apologise for the supposed sins of the rest. This is not all. They might even have been the first victims of the riot if they were found handy at its commencement and if the Sub-Inspector had not succeeded in drawing all the wrath of the rioters upon himself. It has been stated before us that at the commencement of the riot inquiries were made for some of the signatories as men 'wanted' by the mob and that some of these actually heard future violence threatened upon them by some ruffians while they were seeking safety in some hiding places.

We have already stated that in our opinion there were no concrete cases of violence with sticks before the issue of the non-official or the official proclamation and that the former might have been of some value and importance if it had stood by itself. The official proclamation, however, not only made it worthless for any purpose but unnecessarily brought to a point the conflict between the upholders and the opponents of sticks and drove the whole dispute about the carrying of sticks into the vortex of the Criminal Law. Yet for a time the good counsels of the signatories prevailed though their influence had gone and for some time the proclamation was carefully obeyed. But this was not long to continue. Even the volunteers had given up, since the date of the proclamation, the carrying of sticks in the streets or at meetings, but Moulavi Nazir Ahmed positively advised disobedience to the proclamation as witnesses of all sides have stated before us. It is unfortunate that the loss of influence of the signatories, among whom were both Hindu and Mahomedan leaders, left the field open for other kind of counsels. Probably the Moulavi had his own interpretation to put on the official proclamation. There are sticks and sticks and even the non-official manifesto had made a distinction between big sticks and small sticks. According to the Moulavi again, sticks whether



big or small were not arms, and if, as his own information is said to have gone, swords were allowed to be carried in the sheaths, the proclamation, the Moulvi argued, had no right to prohibit the carrying at least of big sticks. Right or wrong this interpretation was put by the Moulavi on the proclamation. Moreover a sort of a spirit of defiance had arisen amongst the Khilafat workers who bereft of the guidance of the signatories to the manifesto owing to the slap given to them by the official proclamation were led by the Moulavi without any opposition. Accordingly at the meeting held on the 12th and the 13th of April some volunteers did carry sticks with them whereupon the attention of the police was drawn to the violation of the proclamation, and prosecutions were decided upon. Some sticks, it is said, were taken possession of by the police but these we are told did not correspond to the number of the volunteers on duty.

#### Arrest and Trial of Volunteers

Nothing of importance seems to have happened between this seizure of sticks on the 13th and the day of the hearing of the cases against the volunteers on the 25th. It appears that the volunteers on the morning of the 25th had taken counsel with some of the leaders who advised them to take things as a matter of course and to pay the fines as they would be naturally very trifling. The mere fact of the prosecution of the volunteers had, however, quickened an interest in the Malegaon public and a small crowd had assembled to hear the proceedings in the court; and if the fines imposed upon accused were really as trifling as they were expected they might, perhaps, have been paid on the spot. It has been suggested to us in the inquiry that there must have been a conspiracy on the part of the Khilafat leaders not to pay any fines, however trifling, in order to cause trouble. But this is contradicted by the statements of some of the volunteers themselves who were accused in the case and appeared before us as witnesses.

The starting impetus was given to the mob mind that day by the proceedings in the Court during which, in our opinion, a number of unfortunate incidents happened one after another. The case was decided by the Magistrate on the evidence of a single police witness as against the denial of guilt by the accused. But what happened next was the least expected. The first thought of the Magistrate was to impose only light fines on the accused and these might have been possibly paid on the spot. But the Sub-Inspector of Police, who was present as prosecutor in the case, openly intervened and induced the Magistrate to impose substantial fines. Beyond this none of the witnesses who were examined by us could clearly say what actually happened in the Court. Eventually the accused were convicted and sentenced to pay a fine of Rs. 50 each



or in the alternative to go to jail for one month. The accused, being either unwilling or unable to pay the fine, were made over to the custody of the police. In the absence of any definite evidence on the point we are not prepared to charge the Magistrate with having actually charged the amount of the fines once definitely uttered in the Court, but we do say that the heavy sentence of fine was due to the insistence of the Sub-Inspector on a deterrent punishment. We further say that the Magistrate would have used his discretion to better purpose if he had allowed the accused time to bring the amount of their fines instead of landing them over straight to the custody of the police for non-payment of the fine on the spot. Under the Criminal Procedure Code when an offender has been sentenced to fine only and to imprisonment in default the Court may, instead of sending the accused at once to jail, issue a warrant for the recovery of the fine, suspend the execution of the sentence of imprisonment, and release him on signing a personal recognisance so that he may have time to arrange for the payment of the fine. We cannot understand why the trying Magistrate did not adopt the more lenient course. It could not be alleged that the accused would have absconded from Malegaon to evade the payment of fine and thus put the police to the trouble of re-arresting them. The Indian Jails Committee have expressed an opinion in their report which entirely supports us in our view. They say: "It seems to be clearly inadvisable that a man should be exposed to the disgrace and risk of contamination involved in committal to jail if his offence is one which would be adequately punished by a fine and if the grant of reasonable time would enable him to pay the fine."

The conviction and sentence created quite a sensation among the people present in court. They were mostly friends and the relations of the accused; they evidently resented the action of the Magistrate and the Sub-Inspector. The Secretary of the Khilafat Committee was present in Court at that time and he does not appear to have made any attempt to pay the fine on behalf of the accused. The result was that the convicts were removed from the Court to the lock-up within the Court premises and the crowd left the court in an excited mood. This excitement was turned into anger by the unwise action of the Sub-Inspector of Police who tauntingly asked the crowd to pay the fines from the rich Khilafat funds and to look to their leader on whom they had acted so long for rescue. The crowd was hit by these sarcastic remarks of the Sub-Inspector and they turned their anger from the Sub-Inspector to the signatories of the manifesto. It is clear from the evidence that the first idea of the crowd was to go back to the town, and to call upon the signatories to the manifesto on the 1st of April to secure the



release of the convicted volunteers as, in the opinion of the crowd, the convictions were due to the proclamation and the proclamation in its turn to the manifesto.

It may be safely stated that the first thought of the excited crowd was not to do any harm to the Sub-Inspector himself. It happened however that the crowd on its way back met and molested a police constable who was identified as the man who had helped in depriving the volunteers of their sticks; and on the news of this being taken to the Sub-Inspector, he came with about a dozen armed constables to put matters right. It appears that the Sub-Inspector and his party met the crowd near the Motor stand or the Islamic Hostel. Here the crowd gathered round the Sub-Inspector but could not arrest his progress. The Sub-Inspector took the road to the town via the Jumma Masjid. Here again he found himself amidst the crowd and it was here that the first firing took place. We are not quite clear as to whether any stones or brick-bats were actually thrown at the Sub-Inspector at this place but even if stones were as a matter of fact thrown at the Sub-Inspector or his men it does not appear that their lives were in any danger. The firing was no doubt intended to disperse the crowd and only small shots were fired. Several persons in the crowd were injured of whom some gave evidence before us and showed marks of injury. The firing instead of terrorising the mob only exasperated it: but even then the Sub-Inspector could proceed as far as the corner of Pophale's house. But at this corner he was met by another crowd and being hemmed in between two crowds he had to seek safety in the temple adjoining the house of Mr. Pophale.

#### Temple Burnt and S. I. Murdered

It is difficult exactly to say what happened thereafter. With a big crowd collected outside the temple and persistent efforts being made to discover and hunt the Sub-Inspector out, he might have felt reasonable fear for his life; and if he shot or cut down an assailant or two who went in search of him he may be taken to have done so in self-defence. Failing in their attempt to get at the Sub-Inspector, the mob eventually set fire to the temple with the result that the adjoining two or three houses were completely burnt down along with the temple: one of the constables was done to death at the entrance to the temple; the Sub-Inspector in trying to escape from the burning house in the guise of a woman to conceal his identity was recognised, overpowered and brutally murdered. Late at night the bodies of the murdered Sub-Inspector and the policemen were burnt together near the gutter outside the temple.

What happened the next day may only be briefly stated. After the "Dafat" of the Mahomedans who were killed on the



previous night near the temple, some persons detached themselves from the big crowd of Momins and proceeded towards the town with the deliberate object of looting. In the meanwhile it appears that out of fear of a renewed riot the convict volunteers in the lock-up were released, though unfortunately too late. The crowd on this occasion was a mixed crowd, and as the evidence before us shows, was made up not only of some people who attended the "Dafan", but also of a considerable number of ruffians from the lowest classes of the population who would any day be out with their fishing rods on the news of troubled waters anywhere.

#### Conclusions

The report then proceeds to give its conclusions as follows :—

(1) "The Malegaon riots, however tragic, do not appear to have been premeditated."

(2) "The conduct of the Pranth officer and presumably that of the Collector also was, on the whole, fair, tactful and conciliatory."

(3) Coming to the attitude of both the Sub-Inspector and the Magistrate in the Court, the report says : "We feel almost sure in our minds that the crowd in the Court would have left the premises unperturbed if the convicted volunteers had been allowed to go back to town to try and collect the amount of the fines imposed upon them."

(4) "The last contribution from the official side came from the Sub-Inspector himself in the firing near the Masjid which was unnecessary if meant only for the dispersion of the crowd. It is of course a speculation what would have happened if this firing had not taken place and if the Sub Inspector had only parleyed with the crowd and had assured them of the immediate release of the volunteers on payment of the fine.

(iv) On the non-official side we cannot blame the Khilafat workers for the invitation given to the Moulavis, for it is everywhere the experience that strangers infuse more spirit into the population of a locality than the local leaders. The language and the sentiments of the Moulavis' speeches were their own affair, and they would have certainly taken the consequences, if they had really spoken sedition and were prosecuted. If every organiser of lectures and every member of the audience were to be held responsible for the language of the speakers, there would be an end to all organisation and to all public meetings. So long as Government took no action against the Moulavis, the Malegaon Khilafatists were justified in assuming that they were not exceeding the legal limits of speech ; but even so far as mute caution was necessary on the part of the leaders, it was evident in the condition imposed upon the "Imdad Fund", that it could not be spent upon the visits of outside lecturers. We have already expressed our opinion that the use of sticks or



arms was not carried to a point at which its prohibition by a proclamation became necessary. Nor are we inclined seriously to blame the opponents of the manifesto for expressing some sort of dissatisfaction with it as there were two views among the people as to its propriety. If the Khilafatists had implicitly obeyed the proclamation and had thereby avoided all subsequent trouble, their grievance about the manifesto would have deserved appreciation. But in an evil moment they decided upon conniving at the disobedience of the proclamation; and on the non-official side, therefore, we regard this as the first distinct contributory factor to the eventual riot. The crisis was all but reached at the end of the volunteers' trial in the Court. We believe that it was the duty of the officials of the Khilafat Committee to keep some money ready in their pockets to pay off the fines of the volunteers, and we must note that even after the declaration of the substantial fines they did not intervene or actually work for their release. The signatories of the manifesto had obviously no duty to discharge in this respect, because it was entirely the affair of those who had disobeyed the proclamation and the manifesto or had connived at the disobedience.

(v) Coming to the latter stage of the riot, we cannot say whether any Non-co-operators were present among the active rioters. The actual killing of the Sub-Inspector and the arson were absolutely unjustifiable from any point of view. The issue of the proclamation, the trial of the volunteers, their conviction and sentence, the unwise taunt by the Sub-Inspector—not all these could, under any circumstances, be called provocation of any kind justifying or even extenuating the mob excesses. Even assuming that the policy of "measure for measure" proved for the moment more dominant over the minds of the rioters, there was nothing in the conduct of the Sub-Inspector to deserve death, the blank firing notwithstanding, as it had not led to any loss of life. The arson stands on the same footing as the killing. We know that the Mahomedan rioters wavered for a time before they set fire to the Hindu temple but they eventually succumbed to the temptation. From the point of view of the Hindu-Moslem unity which should, if anything, reinforce the discipline of non-violence, they should have thought more of the outrage on the feelings of the Hindu and also of the sacrilege they were committing to a holy Hindu shrine than of the asylum which would be given to even an offending opponent and should have left the temple alone. \*

(vi) Now we come to the looting of the houses of the co-operators and this we consider to be in some respects even an uglier feature of the situation than the horrible events of the previous day. Twelve hours had elapsed between the riotous action over night



and the looting on the 26th. The authors of the loot had evidently slept over the temper of the previous night and there was no logical connection between even the sentiments raised by the "Dafan" on the morning of the 26th and the act of looting particular houses or any houses at all. The looters had not behind them the same urging momentum of the mob mind on the 26th as the perpetrators of the killing and burning may be said to have had. There is also no doubt in our minds that the looting was almost wholly confined to the houses of the co-operators and the anti-Khilafatists—a fact of which the significance is unmistakable.

(vii) We have nothing but praise for the courage, sincerity and earnestness of Non-co-operation leaders at Malegaon, both Hindu and Mahomedan. They scrupulously adhered in word and deed to their creed of Truth and non-violence: and although in doing so they incurred the displeasure of the extreme Khilafatists led by the Moulavis they never wavered for one moment from following the right course. We do think that in issuing their manifesto of the 1st April they played into the hands of the authorities, but that only shows their extreme anxiety to keep the moment strictly within the bounds of non-violence. As a result they gradually lost all influence with the majority of the Khilafatists and at the crucial moment they found themselves absolutely powerless to save the situation.

(vii) Without intending to minimise in the smallest measure the enormity of the crimes we do not think that the happenings of the 25th and 26th April, while they undoubtedly brought serious discredit on the Non-co operators at Malegaon and have thereby given a set-back to the Non-co-operation movement, can support any reflection against the whole movement as such. All that they show is that the movement passed in one locality into the hands of certain persons who had not fully understood its implications. In every place Non-co-operators should exercise a ceaseless vigilance in carrying on their propaganda and also in the selection of their workers. We strongly recommend that in future only duly authorised speakers should be allowed to address the public from all Non-co-operation platforms. No popular movement, however, can be guaranteed to be eternally free from incidents of this nature; for, rather than the movement itself sinning, it is often sinned against by some people who join it without entering into its true spirit and yet who cannot be prevented from doing so for the simple reason that no conclusive test of temper can be enforced upon any one before his admission into it. The misdeeds of a few, however, are an exception which only prove the rule laid down by the untarnished conduct of the many in any movement.

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## Non-Official Committee Report on The Chittagong Gurkha Outrage

At the instance of the District Congress Committee, the Chittagong Association and the District Khilafat Committee, a Committee had been appointed for enquiry into the circumstances leading to an assault upon the public outside the Chittagong Railway station on the night of 20th October. The following report was submitted to the Secretary, District Congress Committee, Chittagong, by the Commissioners on October 31 :—

Sir,—At a public meeting convened in the local Moslem Hall grounds on the 21st October, 1921, under the auspices of the District Congress Committee, the Chittagong Association and District Khilafat Committee, we were appointed members of a committee for enquiry into the circumstances leading to an assault upon the public outside the Chittagong Railway Station before the departure of the Mail train on the preceding night. We accordingly held sittings for the purpose from the 22nd October to 30th October 1921 and examined 42 witnesses and accepted the statements in writing of 11 others. We have also in evidence the statements of three more witnesses recorded on the 21st October at the instance of the three public bodies mentioned above. A list of 56 witnesses is annexed hereto (Enclosure A). We have also referred to some of the issues of the local papers, the "*Suniti*" and "*Jyoti*" in this connection. The evidence in respect to the matter under enquiry had necessarily to be one-sided as it was not possible to get at and have the version of the parties responsible for the occurrence. The facts elicited by us are detailed below :

It appears that sentence of rigorous imprisonment for three months' was passed upon Mr. J. M. Sen Gupta and 17 others by the Additional Magistrate, Mr. Burrows, at noon on the 20th October, 1921. This fact obtained wide publicity very soon and eventually it came to be understood that the prisoners should be removed from the local Jail the very evening. Quite a large crowd began to gather from about 6 p.m. outside the jail precincts and spread all along the road towards the Railway Station. The sympathy of the public towards the incarcerated persons and the immense popularity enjoyed by Mr. Sen Gupta in particular were accountable for the gathering, and it is in evidence that it was perfectly spontaneous and not the outcome of anybody's attempt to make a show. All



manner of people thronged there, band and *Sankirtan* parties as well as people bearing torch lights came from various neighbouring quarters, and there was a slight display of fire-works as well. The people seemed to have formed themselves into a procession when the prisoners were being escorted to the Railway Station in carriages. There were no particular organiser responsible for the procession, still it seems to have moved in a quiet and orderly fashion.

#### No Obstruction of Road

Witness No. 44, Dr. Beni Mohan Dass, President of the Chittagong Association and the District Congress Committee and a member of the District Khilafat Committee, speaking on behalf of those bodies disclaims all connections with it and assures us that members of those (bodies) had nothing to do with the procession or the demonstration. His statement is corroborated by other witnesses as well, notably by witnesses Nos. 55, 21 and 12 who were among the band and the *Sankirtan* parties and the torch bearers. Apart from all the demonstration it appears that there was picketing and burning of some foreign clothes on the road by some street boys. Although such action was neither proper nor justifiable, it does not appear from any evidence that there was any disorder or obstruction of the road at the time. The procession and the prisoners' carriage ended on their way without any trouble till the head of the procession reached the southern end of the north-south path of the Railway Station which lies about 50 yards off from the portion of the main entrance to the station building.

It was about this time that the assault in question took place. Before taking up the subject, however, the state of things in the Railway station itself needs careful notice. People had been gathering in large numbers in and about the compound of the Railway station from before 8 p.m. Some among those who had accompanied the procession appeared to have thought fit to come in advance through short-cuts, and they ranged themselves near about the portion in front of the main entrance. It is in evidence from the deposition of the witnesses Nos. 45, 46 and 51 among others, that policemen had lined the corridor leading to the platform from the main entrance, that C. I. D. Inspector Babu Satyendra Nath who wore a "Lungi" was present there all along, that an Indian officer clad in Khaki and with a Gurkha cap on who introduced himself as a Railway Police Inspector told witness No. 35, Babu Kali Sankar Chakravartty, Editor of the "Jyoti" newspaper, that if volunteers were posted in place of police the latter would be withdrawn and this being done the police fell behind,



It is also sufficiently clear that the people inside and near about the portico were peaceful and amenable to any kind of order or arrangement.

From the evidence of witness No. 16, it appears that upon the request of the Khaki-clad Railway Police Inspector, he could easily manage the crowd assembled about the portico and make them range themselves in lines for facilitating the passage of the carriages. As a matter of fact it appears that two European gentlemen, stated by witness No. 25 to be officers in Messrs. Turner Morrison's firm, with a lady and children arrived under the portico in the phaeton from the east and the latter passed on easily to the other side of the portico towards the west after they had alighted, that three or four Europeans in military dress with muskets and leather bags also arrived there shortly after and entered the corridor through the main entrance.

#### Unprovoked Assault by Gurkhas

Up to this time we hear of no disturbance of any kind. Just a couple of minutes or so after this, it is stated, some one from behind struck a severe blow upon the head of witness No. 16, Babu Aparna Charan Kanango who was in the portico, and he turned round sharply and fell down seriously wounded and blood-besmeared. He saw his assailant was a Gurkha who had evidently dealt the blow with the upraised butt-end of his rifle. This was followed by the large number of Gurkhas estimated to be about 50 or 60 from the west of the portico who then began to assault the people right and left indiscriminately mainly with the butt-end of the rifle. As the people fled on all sides the Gurkhas chased them all along and struck them all the way. The main path running from the portico lay towards the east, and a few yards to the north-east from the portico lay another narrow path leading from the north towards the said portico. Wire-fencing enclosed the two plots of land lying on either side of this latter path. The people ran pell mell towards this narrow path to the north as well as towards the east along the broader one. Their assailants seem to have divided themselves into two parties and pursued them hotly and hit them hard as the fencing impeded their progress and numbers fell upon one another and upon the fencing while being severely bothered from behind, and the confusion was rendered worst confounded owing to the semi-darkness of the night and want of sufficient light of the portico.

We do not take such of the evidence that the light in the portico had gone out at the time, as it is confused and conflicting. There were some hackney carriages, lying by the side of the wire-fencing



to the north and north-east of the portico, and it is in evidence that furious blows with the butt-ends were dealt upon the carriages and their occupants as well without discrimination. Babu Benode Lal Roy, an Honorary Magistrate with 2nd class powers single bench and the scion of a premier Zamindar family of the District, was the unfortunate occupant of one of these carriages which was struck thus. He saw 2, 3 or 4 Gurkhas approaching with the butt-ends of their guns raised above. He shouted out that he was not a processionist and that he was a gentleman; and the only reply was "what Sala?" and down came the butt-end upon the top of the vehicles as he ducked, but the stroke slid upon the head and caused the serious wound on the middle line of the top of his head; then fell a second blow upon his back. He lost consciousness for a short while. Two of his companions and the coachman of the carriage (witness No. 63) shared the same fate. The procession with the prisoner's carriages had advanced about 50 or 60 yards to the north-east of the portico. The party of the Gurkhas that had proceeded north-wards seems to have fallen upon the people at the head of the procession, as some who were among the band and the Sankirtan parties which had proceeded the carriages and were in front amply testify to with their bandage, wound and broken limbs as well as their broken drum and damaged clarionet. The frightful chapter of events, however, came to as abrupt a close as its commencement upon a whistle being blown from near the portico, where the Gurkhas turned back and hastily entered the platform through the corridor and reached towards the east along the platform. The occurrence is variously estimated to have occupied between four to ten minutes.

#### The Crowd Peaceful

The state of things at the time of the attack seems to have called for no kind of coercive or retaliative action, and the evidence on the point is sufficient and uniform that there was no disturbance or blocking of the passages or display of rowdism in any form. That the crowd was very peaceful is borne out by the above mentioned Honorary Magistrate as well. It appears further that the Gurkhas came from the west of the portico where they must have been waiting, and their very presence there was unknown and unnoticed by the people till they actually came forward after 3 or 4 Europeans in military dress had entered the corridor shortly before the attack. The mere presence of the crowd, peaceful and orderly in its nature, cannot be said to call for or justify a sudden attack upon them without the least warning or order to disperse and in the manner detailed above. It does not appear that there was any such



warning or order and all that we can gather from the statements of certain witnesses Nos. 2, 6, 24, 25, 26 and 52 are that there were shouts of "Vago" and then arose an uproar of "Maro, Maro?" "Hat, Hatao, Sala-Loko maro," and people fled madly which way they could, pursued by their assailants behind. We have it from the evidence of witnesses Nos. 6, 8, 13, 15, 17, 23, 27, and 49 among others, who had suffered personally, that it was clearly not a case of dispersion of a crowd but of systematic attack and pursuit, and we regret we cannot take any other view of it in as much as many persons were hit more than once when fleeing or when they had fallen down on the ground or the wire-fencing and in some cases by more than one assailant.

#### 104 Persons Wounded

The net result of the attack is one of great magnitude and as far as we have been able to gather at least 104 persons were hit and wounded, we quote this figure from the list of such persons published in the issues of the 23rd, 24th, and 27th October 1921 of the "Jyoti" newspaper cutting appended and marked "Encl: B," which gives the details of injuries in each case together with the address and calling of each individual so that there could be no difficulty of identification. These latter details and particulars invest the publication with an air of credibility which it is difficult to shake off. It was not possible for us to examine all these persons, but we have examined several. Of these a boy aged 9 or 10 (witness No. 23 who had to be examined in his own house) had been seriously hit on the head, the wound extending to 5" or 6", and witness No. 16 whose wound was dressed in our presence in his house, had a semi-circle lacerated wound 6" by 5" to the left of the crown of his head. Besides these, witnesses Nos. 1, 3, 4, 5, 8, 9, 10, 13, 15, 18, 21, 22, 26, 27, 28, 31, 40, 42, 49, 53, 55, had wounds several of which were under bandages and witnesses Nos. 2, 6, 7, 11, 12, 14, 17, 19, 20, 29, 30, 32, 33, 38, 39, and 52 had been struck on several parts of the body which bore scars or scratches or swelling. The injuries were found to be mainly on the head, shoulder, back, arms, legs, knees and even back of the knee, some of them clearly showing that they must have been inflicted when these persons had been fleeing. It is needless to enumerate the various kinds of injuries, as their nature can be easily made out from the few cases detailed above. The age of these witnesses ranged between 10 and 42, and witness No. 24 deposed that he noticed a female by the side of the wall of the station-building who was also struck down in spite of her screaming out that she was a woman. Some of these witnesses lost sense for the time and subsequently came out. Other



had still been suffering from the wounds and swelling and were still under medical treatment when examined. Five medical practitioners who have been examined by us attended to 39 injured persons among them, and they are of opinion that the injuries must have been caused by heavy things like butt-ends and barrels of guns.

#### Motive Underlying the Attack

Now as to the motive underlying the attack. As to the latter we have already remarked that the evidence before us does not point to any occasion which gave rise to the occurrence, the crowd being quiet, peaceful and orderly and perfectly manageable. We cannot omit to notice, however, that we find from the newspaper report a week after the event i. e., on the 27th Oct. last, that 5 persons were arrested and prosecuted on the plea that the occurrence was caused by breach of peace by the public. As the case is sub-judice we refrain from noting any opinion on this matter. As to the motive there are no materials before us to warrant our passing any opinion. Private grudge of the Gurkhas is out of the question altogether, and the suggestion of their aid being availed of like that of ordinary Goondas for satisfying the grudge of any private person is too puerile to merit discussion. The only other possible theory suggested is that, the fact that the demonstrations in favour of the punished people rather enhanced their admiration for them, might have nettled persons who wanted to create an impression or nursed an ulterior object of dealing a heavy blow to the Swaraj movement. There being no material before us as to this we can offer no opinion.

#### Who Gave Order for Assault?

It is now to be ascertained as to who gave the order for the assault. The Gurkhas, the ordinary term by which the Hill-men in the frontier military service are generally known, must be taken to be highly trained men and they are not likely to act up to the command of anyone but their commanding officer. Witness No. 24 deposes that he saw their officer—he says, “Sergeant”—with them, and that he heard the words “Hut, and Hakao”, but cannot say by whom they were uttered. Witness No. 34 and 52 state that one of the Shahibs who had arrived at the station just before the occurrence said something and the attack commenced. Witness No. 53 states that the town Inspector, whoever he may be, whistled and the attack followed. One Abdul Jabbar, a trader in the local market Baxir Hat, who is stated to have objected to the tearing of his clothes by some street boys that evening and who had threatened to injure the witnesses Nos 2, and 47, is said to have been mixed up



with the Gurkhas at the time of the assault and to have engaged them in an excited manner reviling Swaraj and the Swarajists in unmentionable language at the time of the assault and to have actually assaulted witness No. 2. This man has been stated by witness No. 44 to be in touch with the police and to have several times been seen in their company. It is, however, hard to believe that the Gurkhas would move at his beck and call or could do so without orders of their officers. Under the circumstances, it is difficult to make out who actually set the Gurkhas in motion. At the same time we are constrained to hold that they would not have moved without the command of their own military officer, unless the latter's authority had been shifted to some civil or other authority. Even upon the supposition that there was any provocation taxing their passions it cannot be imagined that they broke loose for the purpose of retaliation from their rank and file ignoring their commanding officer as could be expected only in cases where they would move about while out of duty. The assault itself, from its *modus operandi* and the circumstances attending it appears to be unprovoked and deliberate if not pre-arranged, and we cannot but characterise it as brutal in the extreme and even cowardly inasmuch as it was directed with unheard of ferocity against a set of unarmed and unresisting people fleeing from them to save their own lives. If it was their own officer who had set them on, the valiant Gurkha corps would perhaps hardly like to add this particular exploit as a fresh laurel to their cap or look back proudly to an exhibition of rare valour.

#### The District Magistrate.

We are not in a position to fasten blame or liability upon any particular persons or authority as no explicit evidence has been forthcoming in this respect. But we consider that under ordinary circumstances it is the District Officer who would have the authority to call in the military for quelling the disturbances, and the latter would have no right to act without his sanction and directions, and we regret that we cannot see our way to believe that he would not be primarily responsible in a case like this. We find from the evidence of the witnesses No. 35, 46, 51 and 52A that the District Magistrate, Mr. Strong, passed through the portico in a motor car towards the west sometimes before the occurrence and that he was subsequently observed standing on the station platform in company with the Additional Magistrate, Mr. Burrows, and talking with Abdul Jabbar, the Baxir Hat trader referred to above. As to his presence in the station it is further stated that he gave a push to Babu Hansraj, the managing partner in the local firm of Messrs. Karimboy Lalje, because he had chosen to appeal to him for making



a better accommodation for the prisoners whose compartment was rather crowded. We would be loath to believe this episode and to consider that the Magistrate so far forgot his dignity and position as to deal with the men in this fashion even if he were not a person of known respectability. We are convinced that the District Magistrate was present in the station shortly before and after the occurrence, though there is nothing before us to show whether he was aware of or had any connection with it. It is not possible for us to shift the matter further on the materials before us. We beg therefore, to conclude our report and request the favour of your placing it before your committee and the Chittagong Association and the District Khilafat Committee. We beg also to append the evidence marked, Enclosure C.

We have to add that Mr. Khastugir, and Moulavi Nur Ahmed, two of the Members of the committee, desired that the C. I. D. Inspector Satyendra Babu and Sub-Inspector Sachindra Babu, whose names transpired in course of the evidence, should have been requested to make statements before us. But the rest of us were of opinion that it was not likely that they would be willing to commit themselves in any way, nor had had we any authority to compel them to make any statement.

We have the honor to be,

Sir,

Your most obedient servants,  
 (Sd.) Rajani Ranjan Sen, *President*.  
 „ Surendra Lal Kastugir  
 „ Upendra Mohon Pal  
 „ Nagendra Lall Das  
 „ Gopichand Dugar  
 „ Bipin Chandra Guba, *Secretary*.

*N.B.*—Moulvi Nur Ahmed, the remaining member of the committee having written a dissenting note it is subjoined to this report.

(Sd.) RAJANI RANJAN SEN,  
*President.*

### Moul: Nur Ahmed's Minute of Dissent

I am extremely sorry to append this minute of dissent to the above finding of my other brother members of the Committee.



Sincerely speaking, I have tried my level best to fully agree in their conclusions but the circumstances elicited in the course of our enquiry and the overwhelming materials placed before us are so strong and conclusive that I cannot but differ from my learned colleagues on the two most important and vital questions, *viz.*,—(1) What was the motive for that brutal and inhuman Gurkha attack, (2) Whether the said attack was a pre-arranged one?

After expressing his disagreement with the majority, Mr. Ahmed says :—With these exceptions I concur more or less with the rest of the findings of my learned colleagues.

## The Nagpur Firing

The following is a summary of the report of the committee appointed by the Central Provinces Government to enquire into the firing on the mob at Nagpur on the 28th March 1921 :—

(a) That the attack of the mob on the police force had been previously organised in order to oppose arrests; (b) that the police would have been guilty of dereliction of duty if they had not proceeded to make arrests; (c) that the employment of a special force of armed police was fully justified; (d) that the firing under the orders of Mr. Armitage, First Class Magistrate, was unavoidable and was delayed till the very last moment possible, (e) that ample warning was given by Mr. Armitage to the mob before firing started; (f) that the firing was not in any way excessive and was stopped the moment the crowd showed signs of retiring; (g) that the firing took place not with the intention of quelling the riot and arresting the ringleaders but in the exercise of the right of private defence conferred by section 100 of I. P. C. for the protection of the police force from the violence of the mob; (h) that even if Mr. Armitage had used force necessary to disperse the mob, he would have been acting well within his powers under Chapter 9 of the Criminal Procedure Code; (j) that the Sub-Inspector Ataullah Khan, who was in charge of the party left behind after the starting of the motor bus, could not have brought off his men without recourse to firing and there is no evidence that the firing was continued longer than was necessary; (k) that the dead and wounded were treated with the utmost consideration. The Committee referring to the conduct of Sub-Inspector Ataulla Khan stated that during their local inspection they were informed by some of the people that two shots had been fired near the tahsil, one killing Harichandra and the second hitting a Burad in the shoulder as he was buying bamboos. The Committee asked those people to give evidence and to save them the trouble of walking to the Victoria



Institute, they sat at tahsil but no one came forward to give evidence.

#### The Governor's Appreciation

In accepting and endorsing the above findings of the Committee the Governor-in-Council desires to acknowledge the great restraint shown by the police under extreme provocation. He regrets the loss of life and injuries received by members of that force. He also desires to place on record his full appreciation of the conduct of Mr. Armitage who acted with much courage and patience under most difficult circumstances and showed the greatest forbearance by delaying the order for firing almost beyond the limits necessary to secure the withdrawal of the police force without serious loss of life to the force and by ordering it to cease at the earliest possible moment.

#### The Congress Enquiry Committee Report

The following is the summary of the findings of the Baptista Commission appointed by the Provincial Congress Committee to enquire into the Nagpur Police Firing.

The Commission found that Udayaram Pahlwan was not implicated in the riots and the case against him was connected, ostensibly on the information of Rustam Khan who has been condemned by the Sub-Divisional Magistrate, that there was no organisation to resist the arrest on the part of Udayaram or any one else, that the Police were baffled and were unable to arrest any one at Udayaram's, that Ataulla Khan fired a pistol at Udayaram wounding Kawadya and Kairam, that the conduct of the Police at this place provoked retaliation, whereby the Police were injured including Mr. Armitage, and the Police in consequence lost their temper and were thirsting for revenge, that the firing from motor bus without orders from Mr. Armitage was unjustified and unwarranted, that the orders to fire by Mr. Armitage were unwarranted, either to disperse the unlawful assembly or in pursuance of the right of private defence under Section 100 I. P. C. as there was no ground to apprehend death or grievous hurt to any one of the police party, that mere obedience to the orders of Mr. Armitage to fire is not covered or protected by Section 100 I. P. C., that we doubt that Section 100 empowers any person to order others to inflict injury upon assailants even when it would justify his own personal acts of private defence, that there is no evidence that the killed and wounded were assailants in the sense of Section 100, that firing likely to injure innocent persons could only be ordered, when a contingency specified in Section 106 I. P. C. is present, that killing of Harishchandra by Daroga Ataulla Khan amounts to murder, and that the Government's attitude towards the



temperance campaign and Non-Co-operation movement generally his deplorable and is calculated to encourage unscrupulous underlings to concoct false cases against temperance reformers and Non-Co-operators with the object of inciting people to resist and thus creating occasions for firing and re-adopting repressive measures.

## The Matiari Disturbances

The following is the official report of the Committee appointed to enquire into the occurrences at Matiari, Sindh, together with the Government resolution. The committee consisted of Messrs. E. Raymond, Additional Judicial Commissioner, Sindh, Chairman, Harchandrai Vishindas, M.L.A., and Gulam Hussain Kasim, M.L.C.

On 21st July 1921 a disturbance took place at the village Matiari in Hala Taluq, Hyderabad district (Sindh) in connection with the meeting of the Aman Sabha in course of which the police fired upon the hostile crowd and inflicted one fatal and twelve other casualties. The committee took evidence at Hyderabad of thirty-two persons, Khilafatists and Non-co-operators abstained from offering evidence. The committee also visited the place of occurrence and recorded statements there. They came to the conclusion that the Khilafatists were the primary cause of the disturbance as they deeply resented the inauguration of the Aman Sabha at a place which they regarded as their preserve. They attempted to wreck the Sabha meeting by puerile contrivances and molesting the banias who participated, though, undoubtedly, it was the Khilafatist boys who in the first instance provoked the Aman Sabha people—their elders refraining from checking them. The committee are unanimously of opinion that there was no justification for the police firing. No warning was given to the crowd before the order to fire was given and, though after the first shots the crowd had dispersed, firing was unnecessarily continued and resulted in casualties mentioned above. No attempt was made to render medical aid to the injured either by Mr. Hiranand Janjimal Mukhtiarkar (First Class Magistrate) or by the Police Sub-Inspector which was their duty to do. The Committee also held strongly the opinion that responsible police officials like the District Superintendent or the Deputy Superintendent had not told them the unvarnished truth against their own subordinates, and their statements as to the Khilafatists being armed with hatchets and lathies, the incitement by five leaders to kill and beat the Aman Sabha people and the police, and the hearing of the report of a gun, had been shamelessly fabricated by the Matiari police.



In his minute of dissent Mr. Kassim dissented from his colleagues that the Khilafatists were the primary cause of the disturbance and was even doubtful of the story of the Sub-Inspector being injured by a stone thrown by the Khilafatists. Mr. Kassim considered Mukhtiarkar guilty not only of wilful breach of duty in not summoning medical aid but of refusing to do so.

#### The Government Resolution

The Government of Bombay in a resolution expressed the opinion that the Police Sub-Inspector Mohamed Khan was guilty of a serious error of judgment on account of his failure to observe provisions of the Police Manual in respect of ordering and ceasing fire, and should be censured. The conduct of the constable who actually fired under orders of his superior officers did not call for any unfavourable notice. The conduct of the Mukhtiarkar was in the highest degree reprehensible and his services should be dispensed with.

#### The Non-Official Report

A non-official enquiry was conducted by Messrs. Santdas and Daulatram, leading Pleaders and Municipal Councillors and Mr. Jethmal, Editor, "Bharatwasi". The following is a summary of their report :—

1. The Khilafat organisers did depute certain people to persuade the visitors to the Aman Sabha. One witness told us that he was so approached and told : "If you want to go to the Shaitan Sabha, then go to the official meeting, but if you want to show respect for religion, then come to us." No force of any kind was used. The appeal was in the name of religion and sentiment.

2. On the 21st, in the afternoon, one contractor of Municipal trees sent 5 camels of the Mukhtiarkar to the cattle pound.

3. We saw places where the respective meetings were held. Mr. Tabilram and the Sub-Inspector also happened to be present in the vast area where the Khilafat meeting was held. We found the ground full of dust but not a single broken stone or brickbat. Inside the bungalow, however, we found scattered in a fairly large area a large number of bricks and brickbats. The police alleged that these had been thrown by the crowd. We then measured the distance from the pedge and we walked up 25 paces inside the bungalow and found the bricks and pieces of broken jars as far as that distance. We observed that most of the bricks had marks of recent rainfall and so also the dust surrounding them. On turning them over, we found insects and their nests below them. This clearly showed that the bricks could not have been thrown the night before as alleged. This was pointed out by us to Mr. Tabilram, Deputy Superintendent of Police. We also found that some



bricks had been used for the hearths by menials. We however found 3 or 4 clods of earth pieces smaller than tennis balls in size. These appeared to be recent as they had not been soaked by the rain.

4. We saw the Sub-Inspector walking about with a bandage above his eyes but no one else any injury.

5. We saw the following injured persons: (a) Mahamed Rahim who had the mark of a gun shot over his right eye near the temple which proved fatal; (b) Kakhu and his two sons. Khaku had one shot on his left temple and one below the left kidney. His elder son had received a shot in one of his legs which had passed clean through it. His younger son, a lad of about ten, had received a shot in one of his arms which had lodged itself there; (c) Najeem Shah had received three shots. We were told that he is a Zamindar paying about Rs. 8,000 assessment; (d) the cheek of one had grazed by a shot; (e) one or two others had received injuries on their hands. We were also told that some people had gone away to the villages. Out of those wounded, we saw three boys and the rest grown up men.

6. The firing took place at about 8-15 or 8-30 P.M. The Sub-Assistant Surgeon was away, but his compounder was available. In any case, a messenger could have been sent to Hyderabad, the nearest railway station being only 9 miles away. By 10 o'clock at the latest on the next morning, medical aid could have been made available. The Mukhtiarkar and the Sub-Inspector failed to take any steps for medical aid or to visit those wounded and see to their injuries. The officials from Hyderabad arrived at 12 noon on the 22nd and they wired for the Sub-Assistant Surgeon Halla and later at 4-30 P.M., at our request, for the services of an Assistant Surgeon from Hyderabad. As a matter of fact the Sub-Assistant-Surgeon Halla arrived on the morning of the 23rd and he met us at 8 A.M. Thus all people injured received no medical aid for full 36 hours. The state of Khaku when we saw him appeared critical and if he dies his death will be the direct result of culpable negligence. It is probable that Mohamed Rahim might have survived if the shot had been extracted immediately.

7. All accounts are agreed that the Mukhtiarkar who is also the First Class Magistrate was neither consulted nor did he order firing though he was only 100 paces away.

8. Before we left Matiarri on the morning of 23rd we were told that the Sub-Inspector stated that he heard a sound like a gun-shot from the Khilafat people and hence he gave orders for firing.

9. By about 10 P. M., we found Mr. Tabilram in an open space behind the school resting in a chair, but he was fast asleep and so we did not disturb him.



10. We learnt that the officials were recording statements of those who were present in the Aman Sabha and we found some of them with the Mukhtiarkar as late as 10 P. M., but no statements of the wounded or of the organisers of the Khilafat meeting were recorded on the 22nd.

## The Kumbakonam Shooting

### Official Report

The following are extracts from the Report of the District Magistrate of Tanjore on the Kumbakonam Police shooting of 3rd April 1921. The enquiry was undertaken at the instance of the Madras Govt., and in course of the Report submitted on the 15th April 1921, the Magistrate, Mr. P. C. Dutt, I. C. S., says.—

I first heard of the disturbance at about 8 o'clock on the morning of the 4th when the District Superintendent of Police came to me (to Vallam) and informed me personally of it. He told me that he had ordered despatch of a reserve force of 40 constables under one sergeant and 4 head-constables by the 8-15 train that morning. We started immediately for Tanjore. Owing to the badness of the road and the delay over a railway level-crossing under repair we could not reach Kumbakonam before 1-45 P.M. We went straight to the police station where, however, we saw only a small crowd who did not appear to intend any mischief. There I inquired of the local officers what had occurred the night before. The version I heard then was the version that has been elicited in the inquiry of the Additional District Magistrate (given below). In order to concert measures for the prevention of further incidents of this kind while the strike lasted I thought it advisable to send for the respectable gentlemen, Raj Bahadur N. Krishnaswami Ayyangar Avargal, Messrs T. K. Sivarama Ayyar Avargal, Pleader and Municipal Councillor, Mooppanar Avargal, Pleader and Municipal Councillor, the Chairman, Municipal Council, the Vice-Chairman, Municipal Council, and also the leader of the strikers, viz., one Ramabhadra Odayar. They all came and met me at the travellers' bungalow at 4-30 P.M. The District Superintendent of Police, the Sub-Divisional Magistrate, the Taluk Magistrate, the Deputy Superintendent of Police and some others were also present at this conference. We discussed the situation for two hours and at the end of it Ramabhadra Odayar volunteered to call back the strike and to see that no further violent act of any kind was committed. We refused to make any kind of promise or hold out any concession to the strikers. One or two non-official municipal councillors, however, undertook to persuade the Municipal Chairman not to prosecute the strikers for not taking out licenses till their petition to the Municipal Council for reconsideration of their resolution enhancing the license fees was reconsidered. No prosecution had hitherto been ordered and none was intended. In this conference it came out clearly that the strikers had been holding up street traffic the day before in the manner elicited in Mr. Watson's inquiry (see below). None, not even Ramabhadra Odayar, had a word to say in favour of the violent methods of the strikers and it was clear that the respectable section of the population of Kumbakonam was disgusted with them. None of the gentlemen, not even Ramabhadra Odayar, present at the conference had a word to say against the police and the methods they adopted in suppressing the disturbance.



The disturbance, as already reported, was due to the arrest of a striker who had been prominent in holding up street traffic. The strike was due to the increase of the municipal license fees for vehicles and coffee hotels. Such increases have been ordered by other municipal councils, e.g., Tanjore, Mayavaram and there have been strikes or threats of strikes in other municipalities, e.g., Tanjore, Mannargudi. What distinguished the case of Kumbakonam from those of Tanjore, Mayavaram and other municipalities was that the cause of the strikers at Kumbakonam was at once taken up vigorously by the Non-Co-operation party headed by the young and half-educated Ramabhadra Odayar—a man said to possess some money and certainly a good deal of influence among the lower orders of the population of Kumbakonam. Since the Non-Co-operation movement began, this man and few others, some of them being municipal councillors, have now and again been haranguing the masses against the municipality and its officers holding them up to contempt and ridicule. In November last this party practically hounded out of office the Municipal Secretary and made him take long leave preparatory to retirement. Such large crowds used to attend the municipal office at the meetings in which the case of the Municipal Secretary was considered that deliberation was well nigh impossible. I happened to be present for a very short time at one of these meetings and found a large crowd in and outside the Council meeting hall. Police help was asked for to keep order at those meetings and, I believe, the Municipal Chairman and some other councillors were also occasionally pelted with stones. I sent for some of the municipal councillors and others who were responsible for this state of things and I told them that this intimidation of the municipal council must stop. It stopped, but the Non-Co-operation party again created a disturbance at the time of the general election under the Reforms Act. Since then there had been no further disturbance by them and the party appears to have rested quiescent. When it decided to take up the case of the strikers on the 1st instant and proclaimed hartal and forcible stoppage of traffic it played its old and favourable game of violent opposition to the municipality.

There can hardly be any doubt that the strikers left to themselves would have done no violent act. As stated above there have been recently strikes in other municipalities for similar reasons and nothing happened.

As regards the conduct of the local officers in this affair, the Sub-Divisional Magistrate was absent from Kumbakonam on the 3rd. He perhaps at first did not take the strike very seriously and till the 3rd there was nothing to indicate that the strike would take a violent turn. The Stationary Sub-Magistrate, though late in arriving at the police station, did his best to persuade the mob to disperse, and retired when he was wounded on the head. The Inspector of Police appears to have been quite justified in arresting Natesa Chetti and the manner of arrest was such that it did not attract much notice then. The conduct of the police in firing also appears to be quite justified. They failed to disperse the crowd at the first firing and subsequently whenever hard pressed they had to fire. They could have easily dispersed the crowd by firing more, but this would have led to more serious bloodshed.

The following is the report of the Additional District Magistrate who actually held the enquiry owing to the illness of the District Magistrate.—

I went to Kumbakonam on the 7th instant. I found that the Deputy Magistrate had given notice to the Inspector of police and to one Ramabhadra Odayar, the leader of the strikers, to appear before him with such witnesses as they desired to be examined, but that Ramabhadra Odayar and his party had not attended the inquiry either as witnesses or spectators. The Deputy Magistrate had taken the evidence of the police inspector,



a police sub-inspector, the Stationary Sub-Magistrate and a Revenue Inspector. I had a general notice issued on the 7th that I would hold an inquiry on the 8th and that I was prepared to hear such witnesses as cared to come forward. I also issued individual notices to certain people who, I was informed, were likely to be in a position to give evidence of value.

(We leave out the Addl. Magistrate's summary of evidence).

There can be no doubt from a perusal of all the evidence that the Inspector was perfectly justified in ordering the firing before the arrival of the Sub-Magistrate. It was a dark night, there was a large crowd demanding the release of the prisoner Natesa Chetti. Stones were being pelted, and a charge by the police in which several of them including the Inspector were struck by stones, had been ineffective. To prevent the forcible rescue of the prisoner and damage to the policemen and the police station it was necessary to fire. This firing, in which probably all but one of the casualties occurred did not result in the dispersion of the mob, which continued in a truculent and defiant mood, as is shown by the wounding of the Sub-Magistrate, and the Inspector was right in firing later to prevent the station being rushed. It is evident from the small number of shots fired, the long intervals at which firing took place, and the small number of casualties, probably one slightly injured or at most two, that the Inspector used the absolute minimum of force to ensure the safety of his men and of Government property during the later part of the night.

I will now give a brief resume of the facts as ascertained.

Throughout the whole day of the 3rd instant there was organised obstruction by the strikers to all traffic into the town; peaceable citizens in their own carriages were forcibly held up and made to descend and walk; Landies which did not at once obey the orders of the mob were overturned. Many respectable citizens complained bitterly of this obstruction. One of the ringleaders in this mob-rule was Natesa Chetti against whom definite complaints were laid. About 5-45 p. m. this man was arrested by the Police Inspector for offences under Sections 143 and 341, Indian Penal Code, being a member of an unlawful assembly and wrongful restraint. About 7 p. m. a meeting of the strikers to protest against the arrest was held in the Nageswaraswami temple at which there is reason to believe inflammatory speeches were delivered. This meeting was over about 8 or 8.30 p. m. and soon after a crowd began to gather before the police station demanding the release of Natesa Chetti. The crowd grew in numbers and in violence and began to pelt stones at the police station. The ponce sub-inspector continually ordered the crowd to disperse but his orders were not obeyed and eventually he had to retreat inside the station. Then the Inspector tried to disperse the crowd by a bayonet charge, but without success and in this attempt the Inspector and several of his men were hit with stones. Finally, about 9-15, p.m., the Inspector after due warning fired the buckshot cartridges. The crowd retired a short distance but did not disperse, and when it showed a disposition again to advance, after further warning, the Inspector fired five or six ball cartridges. In this firing, one man was killed, one seriously wounded (subsequently dead) and, so far as can be ascertained, 4 others were wounded but not seriously. About 9 or 10 minutes after this firing the Sub-Magistrate arrived, ordered the release on bail of Natesa Chetti and tried to pacify the mob. The mob was excited by the rumour that there were two dead bodies inside the police station and would not believe the Sub-Magistrate, sub-assistant Surgeon and 3 or 4 private persons who after a search of the station assured them that the rumour was false. While trying to combat the rumour and sooth the angry feelings of the crowd, the Sub-Magistrate was hit on the head with a stone and received a bleeding injury which rendered him hors de combat and unable any longer to take charge of the situation. The mob still continued



to stand near the station and at intervals, when signs of restlessness were observed, the Inspector after regular warnings fired single shots which prevented the mob rushing the station and which so far as can be ascertained only caused one slight injury. During this period only 4 or 5 shots were fired, and the Inspector clearly was very careful to use the absolute minimum of force to ensure against the risk of his position being rushed and his men and the police station endangered. The mob remained outside the police station all night up to 7.20 a. m. when the Deputy Magistrate arrived and took steps to disperse them.

Finally, it might perhaps be of value to discuss the evidence tendered by the strikers' party and to try to make out the version which they attempt to prove. The vakils, who appeared before me, wanted to ask many questions about a powerful light which the police had at the station, whether it was the Inspector's private lamp, whether it was taken to the station only that night for the first time and so on, and several of their witnesses laid stress on this point. I asked them what their suggestion was in asking these questions and was told that it was that the Inspector had deliberately planned a bloody massacre for that night and had specially taken the light to the station to enable him to carry out his fell purpose. This ludicrous story carries its own condemnation. Even more ludicrous was the evidence on this point, e. g., witness 8, a High Court Vakil, says that a searchlight was thrown down the street and that fearing that it was a prelude to fire, he took shelter when, immediately without warning, three shots were fired in quick succession. This was after the first firing, and it is incontestably established that after that only single shots were fired at long intervals. The light was an ordinary hand petrol lamp and an educated man like this vakil could not possibly mistake its light for a search-light. Witness 11, an educated man, described the light as one such that he had never seen the like before, a light brighter than a petrol or Washington light.

### Non-official Committee Report

The Non-Official Committee of Enquiry about the circumstances of the Police shooting at Kumbakonam, was appointed at a public meeting held on the 6th April. Seven members were appointed, viz., Messrs. N. Tiruvengadatha Iyengar, G. V. Venkatarama Iyer, S. Mahalinga Iyer, T. V. Venkatarama Iyer, and Abdul Kadir Sahib.

After the Committee was appointed on the 6th, the members came to know that a Departmental Enquiry in the matter was to be conducted by Mr. H. A. Watson, Additional District Magistrate, Tanjore, on the 8th and 9th at Kumbakonam. Just when Mr. Watson sat for the inquiry on the 8th, Mr. N. Tiruvengadathiengar made a request on behalf of the Non-Official Committee that the members thereof might be permitted to sit with him during the inquiry so that the evidence taken might be common, though himself and the Committee might draw up different reports; and also added a request for permission to cross-examine the witnesses appearing at this inquiry, in case he could not sit with the Committee. Mr. Watson replied that he had no objection to the members of the Committee being present during his inquiry and taking the evidence given, and that he would not permit regular cross-examination as his inquiry was a summary one, but that the necessary questions



might be suggested to him for being put to the witnesses. Mr. N. Tiruvengadathiengar with the other members present Messrs. M. K. Vaithinatha Iyer and S. Mahalinga Iyer agreed, as a refusal might prove more prejudicial to the public interest. 20 witnesses were examined by Mr. Watson on the 8th and 9th. The depositions were carefully taken as the witnesses were giving the evidence, by Mr. M. K. Vaithinatha Iyer. Messrs. N. Tiruvengadathiengar and S. Mahalinga Iyer also were taking notes of witnesses' depositions during the inquiry. Though Mr. Watson's notice, inviting the public to come forward with their evidence, was put up only on the 7th evening, and expressly asked them to come at 10 A. M., either on the 8th or the 9th, he chose to declare, in spite of our protest, that witnesses from the public who did not appear before him on the 8th, would not be examined by him. The Police Inspector and his two Sub-Inspectors were present throughout this inquiry. Mr. Watson began to examine witnesses without letting us know the Police version of the incident. The Police Inspector who was also permitted to suggest questions, did not suggest his case in the cross-examination of the witnesses. The Police Inspector, a Sub-Inspector, a constable and the Sub Magistrate were examined last. Therefore the Committee were obliged to continue the inquiry on the 10th. 17 more witnesses were examined.

The Committee propose to narrate the main incidents that led up to the shooting on the 3rd April. The Hackney-carriage drivers and Hotel-keepers declared a strike as a protest against the enhanced license-fees recently resolved upon by the Municipal Council. The strike had been organised to commence on the 1st April. The Committee do not express any opinion as to whether the strike was justifiable or not, as they have made no enquiries about it. But they deem it necessary to make a passing reference to one or two phases of its working. There appears to have been some instances of obstruction to the entries of carts and carriages into the town. There is also some evidence furnished by complaint to the Police of interference with the entry of the usual supplies of curd, straw, firewood etc.

The next incident was the arrest of one Natesa Chetty, one of the strikers, for alleged obstruction of traffic near the Cauvery bridge. The Inspector of Police accompanied by a Sub-Inspector and a posse of constables arrested Natesa Chetty in his shop at about 5.45 P.M. on the 3rd. Natesa Chetty quietly surrendered himself for arrest, and was sent to the Police Station in the Inspector's carriage. There were two significant incidents immediately after Natesa's arrest. While the arrested man was being taken over the Cauvery bridge, the evidence is that about 20 people followed the party. The



Inspector could not brook it. He drew out his revolver and threatened to shoot them if they followed him. There was no misbehaviour on the part of the crowd, and the Police themselves do not allege any.

The other incident took place near the Porter Town Hall at about 6 P.M. The Inspector, after sending the arrested person in advance, was passing the Porter Town Hall on his way to the station, when his carriage returned to take him after leaving Natesa Chetty at the Police Station. Some people there complained to him that the strikers had prevented their usual supply of curd reaching him. Just then, some others asked him to release Natesa Chetty on bail. The Inspector flew into a fury and burst out that he would shoot a "hundred people" and repeat the Punjab shootings. We put that statement to him when he was in the box. Here also he claimed privilege which Mr. Watson allowed.

The Police version is that at the meeting in the Nageswara-swami temple that evening Mr. Ramabhadra Odayar asked the audience to go to the Police Station in a body, demand the release of Natesa and, if refused, to rescue him by force. Only one witness speaks to this and that a police constable who was examined on the second day of the official enquiry. He says, "I was in C. I. D. work. There were 1,000 people in the meeting. Odayar lectured: "To-day Natesa was arrested. You go and ask for his release. If he is not released, you get into the station and get him released." We are of opinion that this evidence is a clumsy concoction. On the other hand, the evidence of persons who were present at the meeting, prominently of Mr. K. T. Seshadri Iyengar, Vakil, is that Mr. Odayar asked the audience not to trouble or vex themselves about Natesa Chetty's arrest but to go home quietly, and said that he would see to his release through proper means. One of us, Mr. Mahalinga Iyer, also happened to be present at that meeting along with Mr. K. T. Seshadri Iyengar and is able to corroborate his evidence.

The next point is whether security was offered for the release of Natesa. We have ample evidence that security was offered, and that his release was asked for only on bail. A number of witnesses who were present at the spot before the shooting are agreed on this point, and Subramania Pillai, the man on whose security the accused was eventually released, and Vythilinga Nanda state that they offered security at the Police Station even in the evening. Ranga-swami Iyer, Sub-Assistant Surgeon and Tiruvengadachariar and Raju Iyer summoned by the Police state that the crowd demanded Natesa's release only on bail. That security was offered is very well probalised by the evidence of the Sub-Magistrate. As soon as he comes he asks the Inspector why Natesa should not be released.



The Inspector's answer does not refer to the absence of any offer of bail. The Inspector does not say that he ever called for a surety when the people demanded the release of Natesa. On the other hand, the evidence of a witness shows that the Police Inspector, for reasons of his own, was putting off this release on the pretext that the order of the Magistrate was necessary. After the Police had shot their first round, there were found people who quite willingly and promptly came forward to stand sureties. The version of the Police as to the immediate necessity for shooting and as to the course of events that followed till 4 A.M. is substantially at variance with the popular version of the events and is not borne out by the evidence on record. It is admitted that four people got into the Station before the first firing took place, of whom two, Tiruvenkatachariar and Raju Iyer, have been examined on Police summons. Tiruvenkatachariar states that the crowd on the west was dispersing, that he was going to the theatre and that as there was a crowd on the east, he entered the Police Station. He was not hurt. Raju says that he received injuries on account of the Police using batons and that while he was retreating he was dealt severe blows on his back by the Police and that he went to the Police Station to complain to the Inspector. Both these witnesses depose that the Police used batons to drive off the crowd. The statement of the Inspector that the crowd was "evidently" intent upon entering the Police Station is entirely unsupported. His own Sub-Inspector who was in the station does not speak to this. The station gate was always open and if that was the object of the crowd they would certainly have done so. The Inspector does not say that the crowd ever rushed on him or into the station or attempted to do so, and in fact, according to him, the crowd was six or seven yards from the station when the Police began to bayonet them. As a result of the bayoneting, the Inspector says, the crowd moved 10 or 15 yards further behind in each direction.

The next point is as to whether the crowd pelted stones as the Police allege. In the first place there are no brick pieces available in the neighbourhood. There are dilapidated building or buildings in construction thereabouts. We satisfied ourselves on the point by going through the whole distance between Uchi Pillayar Koil on the east and the Big Bazaar Street on the west. The Inspector in his statement before the Divisional Officer says that the people threw stones at the entrance and the roof of the station building. We inspected the front portion of the roof and found that no damage has been caused to the country tiles which form the roofing. The walls do not show any signs of hard hits by bricks. We were shown two red marks on the eastern door of the gateway which was



said to be due to stone-hits. This obviously cannot be true because the Police are positive that the gate was open throughout the night and therefore no stones could have hit the doors. Near the northern wall of the station we were shown small pieces of bricks about 10 or 20 on each side.

While, therefore, we have to discredit the Police version as regards the extent of stone-throwing and the period over which it lasted, our impression is that the crowd did occasionally indulge in stone-throwing though they appear to have done so after provocation by the Police. But we have an astounding revelation in the evidence given by witness No. 25. Vaduvor Krishnaswami Iyengar, a respectable merchant and mirasdar of this place, which we cannot overlook. He says that he passed by the Police Station as usual on the 3rd night and stopped before the western extremity of the gate where Sub-Inspector Ethirajalu Naidu was standing, and when he was talking with the Sub-Inspector a stone fell near where they were standing. Then he says he moved towards the V.M.'s Office on the other side of the road. He continues: "I saw 7 or 8 constables some with uniforms, others having taken out their dress and keeping them in their hands. One of them pelted a stone towards the station. I shouted out at the height of my voice, 'Do you, Police, want to falsely accuse the people after throwing stones yourselves'; I saw with my own eyes one constable with uniform and two constables without dress throwing stones." This shows that the Police wanted to create a pretext to use force against a peaceful crowd and they themselves acted as agents provocateurs for the purpose. It is quite likely that some mischief-makers among the crowd retaliated. The following facts deserve to be prominently noted in this connection.

The Sub-Magistrate says:—"I had no conversation with the Inspector about the shooting prior to my coming. I saw only a report on the table. I did not ask the Inspector about what happened. I only asked him as to why Natesa should not be released." If the Inspector's story of stone-throwing be true, it is very unlikely that he would have been reticent about it before the Sub-Magistrate. What damage to property or injury to person did he show to the Sub-Magistrate as having been caused by the crowd whom he had shot at? It is also significant that the Sub-Magistrate himself does not speak to his having personally seen the falling of stones either when he went there or during all the time he was going about between the crowd and the Police.

The Sub-Magistrate when questioned about the circumstances of the shooting after his arrival says: "No stones fell into the station (during my stay.) But constables were crying, "Don't throw stones." The Inspector did not come and tell me anything about the disposi-



tion of the crowd. He did not tell me that the people were nearing the station.'

In neither of the two reports to the Sub-Magistrate by the Inspector, the one at 9-20 P.M. and the other at 9-35 P.M., there appears to have been any mention of stone-throwing by the people.

In the statement by the Inspector before the Sub-Divisional Officer on the 5th he explains the circumstances that led to the first collision with the crowd thus :—"The mob was warned by me, the Sub-Inspector and the head constable that they should disperse and, if fire was opened, lives would be lost. The mob continued to show defiant attitude and determination not to disperse at all costs. So I ordered a charge on the crowd with fixed bayonets." There is no reference here to stone-throwing by the people by the bayonet charge. His definition of 'defiant attitude' in the course of his evidence before Mr. Waston as including 'stone-throwing' also is a clear after-thought.

We shall pass on to see why the Inspector opened the first round of fire. He says that some of his men who went out to charge with bayonets were injured by the pelting of stones. So he says he ordered fire. His position therefore amounts to this. A peaceful crowd was bayoneted. There was some pelting of stones and so the people were shot at. There can be absolutely no justification for this cruel procedure. Were the Police in fear of being overwhelmed? No, the Inspector says that there were 52 Policemen in the station; that the crowd was at a distance of 6 or 7 yards at the time of the bayonet charge, and that they were at a distance of 20 yards when buckshots were fired. Was there any injury to his men or, say, damage to property before the bayonet charge? The Inspector does not mention any. Even if some Policemen be conceded to have received slight injuries that won't constitute a justification for the shooting. There is not even a hint that the crowd had the remotest idea of fighting or breaking the peace.

#### Conclusion

On the whole our conclusion is that the sole object of the crowd was to get Natesa Chetty released on bail, that there is no proof that they had ever the object of injuring police men or attacking the Police Station and that therefore there was no sufficient justification for opening fire at all on the crowd.

As regards the circumstances attending the firings that took place till 4 A. M., after the first shooting at 9-50 P. M., the Inspector's statements and evidence are most unsatisfactory. A mere reading of his evidence is enough to show that he had acted in a most callous manner. In the first place he was asked if he could say whether any of his men were injured after the bayonet charge and during all the hours the shooting is said to have lasted. He said that he could not say. So it becomes clear that the various shootings were not proceeded by any actual injury to the police on account of which shooting was ordered. The Inspector says that he drew up his men opposite the station, nine



men with carbines and twenty to thirty men with batons and that the line of the police continued to stand there during all the period that the shooting lasted. If, as a matter of fact, they were subjected to pelting of stones from three directions (the firing was in three directions), it is inconceivable that no policeman was injured in the slightest degree and that the Inspector did not or remember it. The people seem to have realised this and on the 6th some medical certificates have been obtained. They were not shown to us by Mr. Watson and the Inspector himself did not put any of those injured constables into the box and give ocular proof of injury. The Sub-Assistant-Surgeon who was throughout the night within the station does not speak to this and no policemen ever showed any injury to him that night. It is clear that the whole is an after-thought and does not reflect credit on those that prepared those documents.

In fact, a mystery hangs over the whole course of events in the police station after the first shooting, i.e., after about 10 P.M. The Sub-Inspector, Natesa Iyer faints at the psychological moment just before the first shooting and says that a situation must have arisen when the Inspector might "probably" have thought that there was need for resort to firing. It is plain from this that Mr. Natesa Iyer feels that he is not at liberty to speak out all that he knew and so he wants to draw a veil over it. The Sub-Assistant Surgeon, though he was in the station for all the firings after the Sub-Magistrate's arrival, did not see the firing men, the crowd fired at, and could not testify to the exact circumstances under which the Police were led to shoot from time to time. But he says that the Sub-Magistrate was not consulted before shooting. Witness Tiruvenkatachari goes to sleep after the first round of firing and was only roused by the later shots. Well did Mr. Watson exclaim :—"I should envy this man who slept with such composure". He does not speak to the rushing by the crowd nor to stone throwing. Witness Raju goes to sleep even before the first round of firing. To crown all, the Sub-Magistrate who was at the station was not even consulted for all the firings after his arrival, in spite of the Inspector's statement that as soon as the Magistrate came he told him, "Since you have come, our responsibility has ceased and we are under your orders."

So we see that it was the Inspector alone who was keeping awake with a feeling of responsibility and acting vigorously throughout that night. But curiously enough, the Inspector's memory becomes particularly dim and shadowed in regard to the circumstances of the firings that followed the first shooting. His evidence extracted below speaks for itself. "I cannot say how many times before the Sub-Magistrate's arrival I used ball-cartidges. After the Sub-Magistrate came, I ordered firing, because the crowd was defiant. I was warning them. They wanted to rush. I cannot say how many rushed. I do not remember particularly . . . . Every time we shot the crowd retreated fifteen or twenty yards. The light of a powerful American mantle-lamp was made to fall on the line of policemen opposite the station with a view to terrrise the people . . . . I cannot say how many times I fired in all, and how many balls were used each time. At the time of every shooting the nearest man of the crowd of the west was about 50 yards distant from the station gate, and the nearest man on the east was 52 or 53 yards." When questioned whether he consulted or took the orders of the Sub-Magistrate for firing, he claimed privilege which was upheld by the Additional District Magistrate.

The question remains, why did the people continue to stay near the station during the later hours of the night, i. e., after 9-50 P. M. when the first shooting took place? An unfortunate story furnishes the explanation. Just after the first shooting was over, a rumour appears to have got afloat that, besides Rathnaswamy who had fallen dead opposite the Sri Vydia Press, two more men had been killed and that their dead bodies had been surreptitiously taken away by the police and concealed within the station. As a matter of fact there was



no dead body within the station. But this much has been established by the testimony of a number of witnesses including the Sub-Magistrate and the Sub-Assistant Surgeon that that belief had gained a firm hold on the crowd and that every new-comer to the spot was told about it and that every body believed the story. This belief led to a state of things from which dire consequences followed. The crowd wanted to remain by the side of Rathnaswamy's dead body with a view to guard it. The people told the Sub-Magistrate, "We have wired to the District Magistrate and the District Superintendent of Police. Two more dead bodies have been made away with by the police. We won't give this up till the higher authorities come". Witness after witness have spoken to the fact that a group of people ranging from 10 to 20 was always round the dead body all through the hours during which the police indulged in shooting. Though they were at short range—about 50 yards—they did not feel deterred. They had first a small hurricane lamp by the corpse and then a Washington light brought and placed near it. If groups of people were seen moving to and from the place where the dead body was lying till late in the night, it was only due to excusable curiosity and the anxiety on the part of some of them to prevent its removal by the police. The pathetic persistence with which they lingered near the dead body would have touched any ordinary man's heart. But the Inspector saw in it an unforgiveable crime fit to be punished by shooting at close range. It was when going to look at the dead body that the Malayali boy, Raman Nair, received his injury.

The description given above of the situation is thus amply made good by the evidence on record. All witnesses including the Sub-Magistrate and the Inspector agree in saying that the ground on either side of the station was clear of people for a distance, at the least, of 50 yards, during all the time that the dead body was lying on the road. The crowd never approached the station. And the Magistrate himself was injured only after he denied the people's assertion that two dead bodies were concealed within the station, and further proposed the removal of Rathnaswamy's dead body for inquest. Some one in the crowd under the influence of the delusion that the Magistrate also had joined the police, must have misbehaved towards the Magistrate. But they were certainly never violently nor riotously inclined. The Sub-Magistrate himself says that after his arrival at the station he had gone to the crowd on either side five times before he was hurt. He says: "I had no difficulty in passing through the western crowd. People arranged themselves on either side and left way for me and the Sub-Assistant Surgeon." The people had apparently another reason for refusing to part with the dead body. Because they kept it where the man fell dead, we are able to know the spot where he was standing when he received the fatal shot. If the dead body had been allowed to be removed it would probably have been given out that the man had entered the station and was killed by a shot there.

We are of opinion, on the whole, that at no time during that night were the Police reduced to a position of being driven to shoot in self-defence of property. Then there is the alternative plea that the Inspector wanted the crowd to disperse; that they did not and so he shot at them. We think that this is neither human nor legal. If the Inspector's purpose was simply to make the crowd disperse, his action would have been different. After the bayonet charge, or at least after the first shooting, he would have sent a posse of constables on each side and scattered the crowd as far as the Big Bazar Street on the west and Uchi Pillayar Koli Street on the east. On the other hand the Inspector seems to have contented himself with a limited objective. He simply ordered his men to be in their place opposite the station and occasionally shoot one side and the other side, whenever the attitude of the crowd became too "defiant" in his eye.



## Government Report on the Malabar Reconstruction Scheme

The following report on the Moplah rebellion and on the work of reconstruction in the Moplah territory, up to March 1922 submitted by the Special Commissioner, Mr. A. R. Knapp, to the Govt. of Madras was issued in April 1922.

When my appointment was made in October last, it was, I think, anticipated that actual fighting in the rebellion area would very shortly terminate. This hope was not realised. Martial law continued until the 25th of February, and the extra battalion of Indian Infantry which has been retained in the area, as well as a portion of the Auxiliary Police, are still engaged in completing the suppression of the rebellion. Although schemes for the resumption of normal life and normal administration in the area have been under consideration during the whole period of my special duty, it was not until Martial Law was removed that any attempt could be made to put them into actual execution. Up to that date the administration of the rebellion area was in the hands of the Military Commander.

(i) Resumption of ordinary civil administration.—This has been effected from the 25th of February 1922 when Martial Law was withdrawn, but special provision has had to be made by the Malabar (Restoration of Order) Ordinance, 1922, for the maintenance of the peace, for capture by armed force of any rebels who may remain, and for the speedy trial of the very large number of criminal cases arising out of the rebellion. The powers conferred by the new Ordinance promise to be sufficient for the purpose for which they were intended.

(ii) Housing and relief for homeless and destitute sufferers.—Of the many thousand persons who fled from the rebellion area a large number left the district and took refuge in the adjoining Cochin State where the Darbar generously afforded them relief. The relief of the rest was undertaken by the Malabar Central Relief Committee which organized camps in Calicut, Palghat and other centres. A report on the work of this Committee is being separately prepared by its Secretaries. I will not anticipate its publication, but will merely say that, having been throughout in close touch with the Committee and its officers, I should like to record my admiration of the excellent work which they have done. Relief in the shape of doles of rice was also administered under the auspices of the Congress Committee but I have no details of the extent of their work.



Questions were from time to time raised as to the reason why the relief afforded was apparently confined to Hindus and Christians and ignored to the Mopla population. It was, perhaps not unnaturally, assumed that the military operations carried on over a large area implied the cessation of all ordinary occupation and that the rebel Moplas, as well as Moplah males who took no part in the rebellion, must necessarily be in distress. Up to the end of last year any detailed inquiry into the condition of the Moplah residents was well-nigh impossible seeing that large areas were actually in the hands of the rebel forces, but such official inquiries as were found practicable disclosed no such distress as was assumed. A few Mopla women and children found their way to Calicut at the outset of the rebellion and were relieved by the Congress Committee. A few more were admitted later into the Relief Committee's camp at Quilandy, but there was nothing whatever to support the stories which were spread early in December of thousands of starving Mopla women and children concentrated at various points in the rebellion area. On the contrary, the observation of those who were most in touch with actual conditions in Ernad led to the conclusion that the Moplas as a whole were more than usually prosperous. A large amount of loot both in the shape of money and grain had fallen into their hands.

It was all along anticipated that when the stocks of grain were exhausted and the looted money spent, some at least of the Moplahs would begin to feel the pinch, but it was calculated, on the best information available, that this would hardly be before February or March at the earliest. The stories of Moplah destitution, however, continued to be circulated and it was for this reason that I determined, early in January, to appoint a Committee of Mahammadan gentlemen who would inspect as much of the rebellion area and advise me as to the conditions there. The Military Commander kindly granted them facilities for their tour of inspection. The Committee's inquiries were unfortunately not so detailed as I contemplated and wished, but on a cursory examination they came to the conclusion that the time was approaching when relief would be needed by a large number of Moplah women and children whose men-folk had been either killed or imprisoned. This conclusion was communicated to the Relief Committee which has since formed a Special Sub-Committee to deal with Moplah relief. The extraordinary rapidity with which in many instances normal conditions are restoring themselves leads me to hope that the demand for relief in this direction will be less than the Committee anticipated: but the detailed investigation in the various instances which is now being made through the agency of the Relief Committee must be awaited before any final opinion can be formed upon this subject.



Of the Hindus who fled from the rebellion area a considerable number, mainly jenmis, have not yet returned. Of the rest many have gone back to their amsams to find their houses either wholly or partially destroyed. Immediately on the removal of Martial Law I took steps to enable these sufferers to start at once on the restoration of their houses. Under a scheme which I submitted for the sanction of Government, advances under the Agriculturists Loans Act are being made to all such sufferers for the purpose of re-building. The money is granted free of interest for a year in the first instance. An establishment consisting of two Superintendents of reconstruction with a staff of seven Supervisors is at work and will, by the end of this month, have dealt with half the affected area. The restoration of houses had already commenced on my last visit to Ernad and, save in the case of the larger houses, will be completed well before the monsoon. In addition to money lent for the restoration of buildings, advances are also being made for the purchase of seed and implements and also for the maintenance of the applicant and his family until the next harvest.

It was suggested in some quarters that the most suitable method of providing the funds necessary to repair the rebellion losses was by means of co operative societies and the possibility of this was carefully explored in consultation with the local co operative bodies. But it was not found possible to devise any satisfactory scheme capable of immediate application, and the system of Government advances was therefore adopted on the understanding that an attempt should be made during the course of a year to organise societies which might take over the loans.

A difficult question arose in connection with the restoration of the houses of Moplah rebels which in the course of military operations had been destroyed by the troops. It seemed at first sight inappropriate that the public money should be expended on restoring a house which had been occupied as a rebel stronghold and in consequence destroyed, but on further reflection it appeared to me that the restoration of normal conditions of life in amsams at the earliest possible date was so imperative a necessity as to override all other considerations. It was impossible to expect the Mopla population to settle down to their ordinary avocations until their houses had been repaired, and though a very large number of them have already begun, from their own resources, to make the necessary restoration, there are probably other cases, particularly where the male members of a family had been removed, in which some assistance will be called for. I have, therefore, with the approval of Government arranged that loans may be granted in such cases also, but with this difference that they will be granted under the ordinary terms of



the Agriculturists Loans Act, the special concession of exemption from the interest for a year not being allowed. Where, however, it is known that the Moplah owner has remained loyal to the Government he is treated in precisely the same way as the Hindu sufferer.

(iii) Damage to public buildings, roads and bridges—Preliminary arrangements were made in November last for the reconstruction of the more important of the Government buildings. Work on some of them has begun but the progress has not been so great as I could have wished. Detailed plans and estimates have not yet been prepared in all cases, but a rough calculation gives the cost of restoration at 1.25 lakhs. This excludes the forest buildings at Nilambar which have been very badly damaged. The question whether they should be rebuilt is engaging the attention of the Forest Dept.

The repair of the damaged bridge is being undertaken by the District Board. The roads themselves are in far better order than I should have expected, and as soon as rain falls and allows the spreading of the metal which was already collected last year there is no reason why they should not quickly return to their normal condition.

(iv) Compensation to private persons.—The Government have decided that no legal obligation lies upon them to compensate persons who have suffered loss. The correctness of this view has not been seriously questioned. The position therefore is that unless it should be found expedient and practicable to levy fines under the Moplah Outrages Act, no compensation will be legally claimable. But it has also been decided that all fines and confiscations of property ordered by the Courts, in cases arising out of the rebellion, will be set apart to be given as an act of grace to those who have suffered from the rebellion. The amount of fines hitherto imposed has not been very considerable; the latest total reported to me is Rs. 50,000. But the amount available to be thus given in compensation will be very greatly enhanced if success attends a scheme for which I have recently obtained the sanction of Government. Under this a large number of Moplahs, who are accused of having participated in a minor degree in crimes committed during the rebellion, will be brought to trial and, if convicted, will have their sentence of imprisonment suspended on condition that they remain of good behaviour and pay punctually the fine which will be imposed upon them and which they will be given time to pay. My present expectation is that the fines thus realized will provide a fund which will go a long way to meet the loss actually suffered. I have received a large number of claims for compensation. Their total at present amounts to Rs. 21 lakhs, but of this over Rs. 7 lakhs represents claims put in by Moplahs, many of whom are probably rebels. Of the balance a great many claims



are almost certainly exaggerated. In practical proof of this I have the experience of my Reconstruction Superintendents who find that the amount which an applicant is willing to take as a loan for the purpose of restoring his house is usually a very small fraction of the amount which he has claimed in the form of compensation for the damage.

(v) Progress of the trial of prisoners.—The arrangements made under the new Restoration of Order Ordinance, and notably the substitution for the Tribunal of three separate courts, has resulted in quickening up the disposal of cases. More Special Magistrates are however needed and for them application has been made. In connection with the special scheme for dealing with minor offenders alluded to in the last paragraph, I am proposing to employ sixteen Summary Magistrates of whom eight have already been appointed. A great difficulty in connection with the trial of offenders has risen out of the want of jail accommodation both for convicts and for under-trial prisoners. Even with the special enclosures which were constructed at the military posts the sub-jail accommodation was strained to sometimes almost dangerous limits and I found it necessary to appoint a Special Officer to take this matter up and organize despatches from jail to jail. The cessation of actual fighting has left the police more free to make arrests, and the problem of disposing of under-trial prisoners has become greater than ever. I have however been able to arrange for a temporary extension of the sub-jail at Palghat and for the constitution of new temporary sub-jails at Calicut and Cannanore. These, I hope, will provide for nearly a thousand prisoners and will allow of the arrest of a large number of persons wanted for serious crimes whom the police have been obliged to leave unarrested in their amsoms for want of sub-jail accommodation.

As regards convicts the ordinary central jails were full and the Bellary camp jail had nearly reached its complement when it was temporarily closed. The prospect of there being no room in the jails for convicted prisoners at one time retarded the disposal of cases, but Colonel Cameron has now in hand and is pushing on with schemes which promise to supply all the accommodation needed and I anticipate no further trouble in this direction. The removal to the Andamans of a large number of persons sentenced to transportation will further relieve the position.

(vi) Destruction of registration and private documents.—The question whether any special commission of enquiry or any special legislation is called for by reason of the destruction of documents is still under discussion with Government. In regard to registration, I made recommendations in my letter of the 8th of February. Certain proposals put forward by the Calicut bar have, with my opinion



thereon, also been submitted to Government, and Mr. K. Srinivasa Ayyangar, I understand, intends shortly to examine them in person in Malabar. I have therefore nothing to say at present upon these points beyond remarking that the whole problem involved seems to me to be very much less serious than was originally contemplated.

(vii) Destruction of revenue records and principle upon which remission of revenue shall be granted.—The re-writing of revenue records was being undertaken in December last and so far it does not appear that any great difficulty has been experienced in reproducing those which are essential to the collection of the revenue. The results of this year's Jamabandi must, however, be awaited before it can be decided whether any special measures are required in this connexion. As regards remission of revenue there was at first a general demand that the whole of the revenue in the rebellion area should be remitted. This of course was out of the question, for it was known that over a great part of the area cultivation was proceeding as usual and there was no reason why a ryot who had raised his usual crop should be exempted from the payment of the Government revenue on his lands. The arrangement which I made, and which was accepted as suitable by many jenmis and others whom I consulted, was that the village officers should ask for their kists in the usual course, but that no kind of compulsion should be applied without the personal orders of the Divisional Officers who were instructed not to resort to coercive process in any case in which suspension or remission was reasonably called for. I have had no complaints. On the contrary, the revenue in Ernad has been collected with comparative ease. In one amsam, prominent as a rebel centre, the whole of the March last kist was paid by the due date. In Walluvanad the collections in the earlier kist months amounted to 75 per cent of the normal and this percentage, I am told, will probably be exceeded in March. The question of granting remission or suspension in such isolated cases as may require it may be left for the Collector to deal with.

(viii) Forest administration.—The wholesale mischief and theft which the Government feared in connexion with the Nilambur forests has happily been avoided. There has been a loss of forest revenue owing to the impossibility of conveying timber to the coast, but beyond the destruction of buildings there has, I understand, been no material damage.

(ix) Probable future attitude of the Moplah population.—It would be premature at present to make any prediction as to the future relations of the Mopla population towards Government officials on the one hand and Hindus on the other. Even in parts of the area where the rebellion has been completely suppressed, as for



instance in the neighbourhood of such important centres as Malappuram and Perintalmanna, many Hindus are still unwilling to live in their amsams and confine themselves to visiting their property during the day time. On the other hand the Moplahs, while they remain in uncertainty as to how many of them are going to be arrested, are unable to settle down. Until the police have been able to arrest and send for trial persons accused of serious offences and to deal with the minor offenders in the manner now proposed, it would be useless to expect either the complete restoration of confidence among the Hindus or the return of the Moplahs to their normal life, and until both these conditions have been fulfilled it is impossible to form any confident opinion as to what the future relations of the two communities will be.

I may here make it plain that the scheme for dealing with the minor offenders by suspending their sentences and subjecting them to a fine will only apply to persons whose return to their homes is not regarded as in any way a danger to the peace. Others, that is to say, the persons who are accused of more serious crimes and whose freedom from arrest is one of the causes which prevents Hindus from returning to their homes, will be shown no concession but will be put up for trial in the ordinary course. Similarly, although inquiries are being made as to the possibility of releasing from jail and subjecting to a fine some of the persons already convicted of minor offences, it is not for a moment intended to apply this treatment to any person whose return to his home can reasonably cause apprehension among the Hindu population. I may add that though doubts have been expressed in the Legislative Council as to the safety and propriety of the policy which is being adopted, local Hindu opinion, even among those who have themselves suffered and whose resentment against the Moplahs is still strong, is not opposed to the policy. It is realized that the confinement in jail of the very large number of persons against whom charges have been made is, on the score of accommodation, outside the realm of practical politics and that the only feasible alternative to the policy now adopted would be that which has actually been proposed, but which for good reasons has been rejected, namely, a general amnesty to all except the leaders in crime.

It is not yet possible to say finally what steps, if any, should be taken to protect the forcibly converted Hindus from future Moplah violence. There are some amsams to which the forcible converts can certainly not at present return and many of them are being kept in Calicut in a relief camp specially provided. Proposals for the deportation under the Mopla outrages Act of the ring-leaders in these acts of forcible conversions are being made by the District Magistrate. The present hope is that with the removal of these ring-leaders



the danger of violence by Moplas against the converts who have since reverted to Hinduism will be greatly reduced. Efforts are also being made to find some way of bringing home to the Mopla the fact that the forcible conversions in which he indulges are not recognised by other Muhammadans as consonant with the true principles of Islam. So far the best method of effecting this has not been discovered, and I can at present say no more on this point.

(x) Possibility and expediency of employing Mopla prisoners on extramural public works.—I have investigated a large number of schemes but most of these have unfortunately proved impracticable. The proposal to employ Moplas on the Rameswaram Canal, which seemed the most promising of all, disappears with the refusal of the Legislative Council to sanction funds for that scheme. A project for using Mopla prisoners in the construction of the Pollachi-Udumalpet Railway is in abeyance pending the sanction of the Railway Board to the commencement of work. A scheme for the employment of five hundred Moplas in the quarries of Pallawaram is in the last stages of investigation and will, I hope, be put into effect at a very early date. I had hoped that the construction of the Shoranur-Nilambur Railway might afford employment for a large number of these prisoners, but the scheme, I find, must, on financial grounds, be considered as too far-off to offer at present a practical solution of the problem. This is much to be regretted because, as I have separately reported, I attach very great importance indeed to the construction of this railway as a pacifying and establishing factor in the rebellion area. I have under correspondence a scheme for employing Mopla deportees in the Middle Island of the Andamans where forest development work is in progress.

Proposals to make for the future treatment of the Mopla problem must now be postponed to another occasion. The immediate work of economic restoration has been well started and may be left, under the direction of Government, in the hands of the Collector, who should, however, be given a senior officer as his Personal Assistant for the purpose. The next few months will necessarily be an anxious time for the District Officers. They represent a period when the stock of food stuffs in Malabar is usually at its lowest and when employment is most difficult to find, and it may be that something in the nature of famine relief either by importing grain or even by instituting relief works will be called for. The provision of seed for the next sowing is also a matter which is engaging attention and may demand special measures. In other directions too special Government action may be called for, but as a general policy I would deprecate any attempt to force the pace of "reconstruction."

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## Non-official Report On the Malabar Disturbances

The following report on the causes of the Moplah outbreak was made by Messrs T. Prakasam and T. V Venkatarama Iyer at the instance of the Provincial Congress Committee, Madras. The Report which was issued early in September 1921, says :—

“On the 27th August, as soon as the Presidential Address was over, a proposition was placed before the Provincial Conference at Tanjore requiring the assembly at once to take into consideration the disturbed state of Malabar and suggesting the despatch of a deputation to that place to bring about peaceful conditions. The discussions in the Conference showed that there was a unanimous desire that a Committee of Congress and Khilafat workers should go to Malabar but the matter was referred to the Subjects Committee to have the resolutions brought up in proper form. As we were both included in the list of persons to be sent to Malabar and as we thought it was desirable to go early if any real work was to be done, we left Tanjore for Malabar on the night of the 27th August.

We reached Shoranur on the morning of Monday the 29th August and put up for a short while in the station waiting-room but as the Military officers there objected to our stay we removed to the Nambudri Sabha Matam. At the suggestion of Mr. Rammuni Menon, Congress Secretary, we went to Ottapalam on the 30th on which date we also got as far as Chorupulchery to get into touch with the Congress workers who had already proceeded to the disturbed area and about whose safety there was disquieting news. On the 2nd we reached Calicut and left it on the 4th and reached Madras on the 5th morning. During the whole of this period we were in the Martial Law area and in almost all the places we visited we made enquiries as to the events that had transpired. Our report is based on materials thus gathered.”

After summarising the events from 20th August to 4th September, the report proceeds :

### Causes of the Moplah Outbreak

“It is not for us to deal with the various causes which may have contributed to this appalling disaster. The existence of agrarian disputes in Malabar between landlord and tenant on account of the oppression caused to the tenants by rack-renting and ejection is a notorious fact. At least one of the fatal blunders committed by the



District Magistrate by surrounding the mosque for nearly 7 hours so as to interfere with the religious duties of hundreds and thousands of Moplahs is practically admitted in the Press Communiques issued from time to time. Still it is urged by the District Magistrate of Malabar, the Governor of Madras, the Viceroy, and a section of the Press which is always opposed to the cause of national freedom, that the Khilafat and Non-Co-operation workers have been at the bottom of this Moplah rising. In view of this charge levelled against the Khilafat and Congress movements, we propose to examine the circumstances and find whether it was the blunders of the District Magistrate or of the Khilafat and Non Co-operation movements that brought about this fanatic Moplah outbreak.

A third of the Mussalman population of the Madras Presidency come from Malabar. In Malabar alone the Mussalmans form 30 per cent of the population. In Ernad, the centre of the struggle, the population is as much as 60 per cent: while in the adjacent Taluks of Ponnani, Walluvanad and Calicut the percentages were 44, 33 and 30 respectively. Tirurangadi is a large centre of Moplah population and is within easy reach of many such centres such as Tanur, Parappanangadi and Tirur on the South, and of Kundutti, Malapuram, Manjeri and Angadipuram on the north.

#### Prohibition of Congress Preachings

Tirurangadi possesses two mosques, one called Kishikapalli mosque and the other the Mumbrum mosque. The latter is believed to have been almost the first mosque built in the Malabar country and is held in great veneration by all classes of Muhammadans. To Mussalmans in this part of the country a swearing of an oath invoking the name or office of the Mumbrum Thungal is as binding as swearing in the name of God himself. The Moplahs are a poor but an industrious race and much of the agricultural and trade operations in the District is in their hands. They are simple and honest people and their love for their religion is of a transcendent character. Fanaticism which was a common characteristic of a Moplah in ancient days has died out in most of the important centres. The people there imbibed the spirit of non-violence as almost part of their religion and practised it successfully even when they were subjected to grave provocations, indignities and humiliations. In the present outbreak the people of Calicut, Shoranur, Otapalam, Palghat and other places have been absolutely peaceful and non-violent notwithstanding the provocation given to them by various blunders and indiscretions of the Dist. authorities. These are the centres where the Congress propaganda and the non-violent aspect of the creed was allowed to be preached by the Congress and



Khilafat workers without any restrictions. The Moplah fanaticism has survived only in portions of Ernad and Walluvanad Taluks which have now formed the scenes of disturbance. It might be noted in this connection that since February last the District Magistrate has, by orders issued by him under Section 144 Cr. P. C. from time to time, forbidden Congress and Khilafat meetings in these areas of Ernad, Walluvanad and Ponnani. This prohibition continued until July last. Even the issue of pamphlets had been proscribed; in short the District authorities had effectively segregated those parts of the District which are now the seats of trouble. Under such circumstances how can the present outbreak be attributed to the activities of the Khilafat and Congress workers?

#### Besieging the Mosque.

The outbreak is undoubtedly due to the first grievous blunder committed by Mr. Thomas in besieging the mosque, as if it were an enemy's fort, for nearly 7 hours in Tirurangadi and that commencing at a most unheard of hour of the night. Mr. Thomas must have known the Moplah's devotion to his religion and how strictly he observes the injunctions of the Quoran in offering his prayers. The entering of the police into a place of worship for an unjustifiable search and the prevention of the prayers of so many hundreds of people at the enjoined hours of sunrise and noon, upset the fanatic section of Ernad which has been so zealously guarded and kept away from the non-violent programme of the Congress and Khilafat movements. The news of the obstruction to the morning prayers and the desecration of their place of worship spread into the nooks and corners of Ernad Taluk like wild fire. In the course of a few hours news seems to have reached Tanur, Tirur and other places that the Mumbrum mosque had been fired upon by the military and had been razed to the ground. The fanatic gang would not even wait to examine the truth of the report. This seems to have roused the greatest indignation in the Moplahs of the Taluk."

After referring to other allegations of provocation, the report continues:

"The sudden outburst of the crowd and the brutal murders they committed on the two European officers and the police was so great and terrible at the time that the District Magistrate with his strong military contingent and police force was obliged to withdraw from the place and retire to Calicut on foot. If they had not retreated, possibly the results might have been less disastrous. When the infuriated mob of the fanatics could compel such a military and police force to retreat, what could the poor Hindus,



Jenmis and others do when their houses were looted or were forced to accept the Islamic faith or compelled to do any other acts which they would not have ordinarily done? The fanatic mob seems to have thought that they had become the masters of the situation. When the military itself was withdrawn there was no limit to the atrocities and plunders committed by them.

When we both started on the 30th of August from Ottapalam by the road to reach the Congress workers, at the 7th mile we were obliged to leave the carts behind, on account of the obstructions caused by the felling of huge avenue trees across the road. Within a distance of two miles, which we had to walk to reach the village of Cherupulchery, we found a number of culverts destroyed and a number of trees felled. We went into the village to see if the public offices were set on fire as was rumoured at Ottapalam and other places. The Sub-Registrar's office and the post office were not attacked. We found the Police station alone deserted. The building was not set on fire but we saw the burnt ashes of the records in front of the station. Benches, tables and other furniture remained in tact. No sign of resistance by the police was visible. It looked as if the police had run away before the mob took possession of the station house. Such was the terror created by the fanatics.

#### **Congress and Khilafat Workers.**

Under such circumstances, we shall review the conduct of the Khilafat and Congress workers. They grieved and deplored the atrocities committed by the mob, but plunged themselves almost instantaneously into the heart of the disturbed areas and did their best to pacify the mob, running very serious risks for their own lives. Fancy what Mr. Mahomed Kutti Musaliar did at the Tirurangudi mosque after the Tanur mob was fired upon by the military. He is a Moulvi of great learning and a whole-hearted supporter of the Congress creed. He with other Congress workers met the infuriated Moplah crowd at the mosque and made heartfelt appeal to them. In the words of the scripture he bade them disperse and go home. At this some of the angry crowd murmured and protested. Some cried him down as a Government spy. Some cried out: "Our brethren killed by them are lying on the road; should we not at least bring their bodies and bury them"? The Moulvi said that they must not go even for that. Mr. Hasan Koya, the Khilafat Secretary of the Calicut District Committee, rushed at once by mail train on the 20th to Tirurangudi as soon as he heard rumours of a disturbance there and did his best to pacify the fanatic mob. Mr. Mahomed Abdur Rahaman, Secretary of the Kerala Provincial Khilafat Committee, rushed to Mr. Kesava Menon as soon as he heard of the march of the military to an unknown destination



and at once rushed to Pookotur with another Moulvi Khilafat worker to pacify the mob there, believing that the military were proceeding to that centre of agrarian disputes. When the news of the disturbances at Thirurangudi reached Mr. Kesava Menon on the 21st of August, he proceeded at once with a party consisting of Messrs. U. Gopala Menon, Mahomed and others by a motor to the disturbed area. They had to leave the car at the first obstruction caused by the removal of a culvert, and then walk up to the disturbed areas. They distributed leaflets and addressed the crowds to observe non-violence. When Mr. Kesava Menon appealed to the crowds for peace and order in the names of Mahatma Gandhi, some of the mob cried out that he, the Mahatma, was a Kafir and that they would never follow him: he appealed to them in the name of the Ali Brothers; they replied that they would not follow those who follow a Kafir. Though Congress workers were unable to make much impression on an infuriated mob who complained of their mosque having been fired upon and their hearths and homes invaded, their work was so far successful that it prevented the rebellion spreading and confined it within the narrowest possible limits.

Throughout this troublous period the Congress workers never remained idle. On the 22nd August immediately after his return to Calicut and as soon as his efforts were successful in keeping that place quiet, Mr. Kesava Menon applied to the District Magistrate for permission to proceed again to the disturbed area. Permission was needed as Martial Law had been proclaimed by that time. The District Magistrate reluctantly gave that permission but did not even in times of excitement and distress abstain from having his fling at the non-co-operation movement. Messrs Kesava Menon, Gopal Menon, Abdur Rahaman, Mohideen Koya with Moulvis and Congress workers numbering in all 24 people left for Ernad Taluk and visited towns and villages. They were at one place stopped by the military who threatened to fire upon them but when the District Magistrate's pass was shown the Military officer not only allowed them to proceed but was kind enough to offer the use of his own car to people proceeding on a mission of peace. Before going into the interior Mr. Kesava Menon, in a dignified letter to the District Magistrate while repudiating the suggestion that Congress and Khilafat work was the cause of the present trouble, wisely suggested the abstaining from unnecessary resort to force if the country was soon to quiet down. Once again they rushed into the disturbed area. Wherever they went they addressed the crowds, pacified the people, arranged peace leagues and brought refugees to places of safety, amongst whom there were pregnant women and children. The Congress workers carried the children and pregnant women in Manchals (palanquins) to Calicut.



## At Ottapalam.

Mr. Ramuni Menon and Musaliar, the President of the Khilafat Committee, kept the Congress and Khilafat office open day and night, enjoined non-violence on the Moplah population, and encouraged them in preventing inroads from wandering Moplah bands. They sent out a Congress worker to Peruntalamanna and Angadipuram who was able to organise a volunteer corps of Hindus and Moplahs which for some time kept the two places absolutely quiet. But they were overpowered later.

## At Ponnani.

When a mob was about to enter the town and loot Mr. Kallappa Nair, the Congress Secretary and a Khilafat worker went out to meet the rioters, took a firm stand, and offered to meet death rather than allow the rioters back, and when Khilafat volunteers were immediately organised the town was effectively guarded and has since remained quiet, until some local criminals molested some people later.

## At Tirur.

Khilafat worker Mr. Haji saved three European lives and also saved the Nedungadi Bank from being sacked, though some time previous to and shortly after the Tirurangadi firing, an infuriated mob had entered the town, raided the police station and burnt the records of the Munsiff's Court and Sub-Registrar's office.

## At Manjeri.

Lastly it is only necessary to refer to Manjeri to see what work was done by Vakil Madhava Nair almost single-handed. When news of the rumoured attack at Nilambur reached him, just at that time Mahomed, Khilafat Secretary of Calicut, and another Moulvi ran up to him. They started for Nilambur, met the gang, and addressed them and persistently addressed to them to observe non-violence. Mahomed returned to Calicut and Madhava Nair to Manjeri. Madhava Nair was obliged to stay at Manjeri as his house was there and disturbance was brewing. He was single-handed. Most of the Moplahs there were anti-non-co-operators. All the forces of mischief mustered there were hostile. One gang asked him to join them after hearing his preaching on non-violence. When another gang surrounded a Hindu house for looting he used all his powers of persuasion and finally prevented looting by taking a firm stand and telling them that he would not allow them to do such a thing whatever they might do with him. They stayed their hand for the nonce. But the same house was looted more than once later. Almost every Hindu house was looted. Some houses were looted twice and thrice. The only houses that were not



approached were those of the Sub-Magistrate, Sub-Registrar and other offices at Manjeri. This is a clear proof that the work was that of those Moplahs who were opposed to the Khilafat and Non-Co-operation. Owing to lootings 3 to 4 hundred Hindu refugees took shelter in the house of Madhava Nair. The little he had in the house was not enough even for one day's rations of the refugees. Under such circumstances one gang sent a messenger to Madhava Nair that he could save his life if he embraced Islamic faith. He refused and said that he would even prefer death. His courage and firmness saved his life. But they could not secure rice and salt for him or those who sought his protection.

#### Looting and Conversion by the Antis.

The families which were reported to have been forcibly converted into Muhammadanism lived in the neighbourhood of Manjeri. It is clear that conversions were forced upon Hindus by a fanatic gang which was always opposed to the Khilafat and Non-co-operation movement, and there were only three cases so far as our information goes. Many Moplahs whom we met at Calicut and other places deplored with tears in their eyes the harm done to their Hindu brethren and for the murders and excesses committed by a few fanatical mad-men. They are inaugurating a movement amongst themselves to afford relief to their Hindu brethren. The general looting of Hindu houses and conversion of some to Islamic faith conclusively prove that the outbreak is not due to Khilafat and Non Co operation movement. They also show that the national movement could not have contributed even indirectly or remotely to the cause of the present outbreak."

The report then refers to the repressive policy pursued by the District authorities prior to the outbreak and preceeds: "In spite of such acts the Moplahs of all the important centres have always maintained perfect calm and peace and forbearance. Such has been the result of the Khilafat and Congress workers in all places where they could preach non-violence.

It is to be regretted that those who are ignorant of the real situation and the real causes, profess to speak with authority "The Madras Mail" has been thirsting for the blood of the Khilafat leaders and non-co-operators. The Viceroy bases his unfortunate speech of last week on the opinions of the Anglo-Indian Press and and one-sided official reports. Mr. T. Rangachariar of Madras, with all the ignorance he could command, asserted his opinion against the Khilafat movement, Such ill-advised pronouncements, just at this juncture when there is a possibility of many innocent people being arrested under Martial Law, will do more harm than good,



To sum up, we are satisfied —

(1) that the rioting was caused by the ill judged action of the District authorities ;

(2) that only a small fraction of the Moplah population took part in it,

(3) that the respectable men kept aloof from it and that the persons who took part in the rioting were fanatics, dissatisfied tenantry, disbanded soldiers without occupation, persons on the verge of starvation, and rowdies to whom a commotion was always welcome ;

(4) that neither Congress nor Khilafat propaganda was at the bottom of the disturbance and that if the country is to be soon calmed and peace permanently restored, it is necessary to prevent provocative action on the part of the police and to restrain indiscriminate arrests of Congress and Khilafat workers.

At no time was Malabar in a position to produce grain and other foodstuffs for its own consumption, and whatever foodgrains existed or were kept in store have in many places been looted and destroyed. In the interior of Ernad and Walluvanad Taluks communications have been cut off and each amsom has been more or less isolated from the rest. Transport of grain has been rendered difficult and the insecurity of the District renders it also dangerous. Meantime many in the interior of the District are starving. In many places refugees have huddled themselves together in one place and some of the most respectable families are living on one meal a day and that consisting of only conjee of rice usually given to servants and dependants in Malabar households. Common necessities such as salt cannot be had for love or money. Moreover many families have been robbed of their all and have not the wherewithal to purchase either foodstuffs or clothing. The time for the gathering of the first harvest has gone and the sowing of a second crop has become impossible. Famine is staring the people in the face and unless adequate measures are adopted there will be a large mortality from starvation and from diseases which starvation often brings forth.

When we left Calicut the Congress Secretaries and others were busy issuing an appeal for funds to ward off starvation. The Khilafat workers were even more keen in the matter and they felt they must repair, as far as in them lies, the dastardly action which their fanatical co-religionists had indulged in. In this work of appealing for relief it is the duty of every Indian to contribute his quota and to prevent death from starvation. This is not the time for making distinctions. Hindus as well as Muhammadans are both starving and charity must be administered to all,

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# Report of The Knapp Committee On the Mopla Train Tragedy

The following are extracts from Report of the Knapp Committee appointed by the Madras Govt. ostensibly to enquire into the Moplah Train Massacre blacker than the legendary tragedy of the Black Hole. A fuller account of this will be found elsewhere in this volume.

We have examined the van in which the prisoners were carried. It is a luggage van with walls of wood. The internal measurements of the van are as follows :—

Length	...	...	26' 4 & half inches
Breadth	...	...	8' * 5"
Height to the centre of the roof			7' 6"
Height to the top of the walls	...		6' 11"

The roof is double and is composed of wooden planking inside and an outer covering of ruberoid or some similar substance. The van consists of three compartments. The partitions which divide them are of wooden planking to a height of 3' 3" from the floor ; above that they are composed of iron bars set at a distance of 3" apart and allowing free passage of air from one compartment to another.

There are two double-shuttered doors in each compartment, one on each side. The upper part of these doors consists of louvres or fixed venetians covering a space measuring 2' 7" x 1' 8" and one-fourth inches. The venetians are, however, entirely covered inside by a lining of fine wire gauze with about 18 meshes to the inch. This gauze has evidently been painted over and the greater part of it is clogged with paint and dust. The doors are fastened by a bolt inside reaching from floor to ceiling and outside by a hasp and staple. If the inside bolt is pushed home the doors fit tight but otherwise there is a certain amount of play in them. Beyond a few chinks in the walls and flooring there is no other entrance for air, and though a small quantity of air must have entered during the journey from Tirur to Podanur—otherwise none of the occupants of the van would have survived—we regard as justified Doctor O'Connor's description of the van "as practically air-tight"; in the words of General Gifford it was "practically a closed box."

How then did it come about that this van was employed on November 19 for the conveyance of 100 prisoners to Bellary?

The answer is clearly—



(1) that the general use of luggage vans for the transport of prisoners had by that date become an established practice at Tirur.

(2) that a hundred or more prisoners had on various occasions been transported without mishap in vans of a similar pattern :

(3) that, assuming the safety of the practice to have been established by experience, the vans were used without any special inspection of consideration of the ventilation which each provided : and

(4) that when L. V. 1711 was tendered and accepted on November 19th for the carriage of a hundred prisoners, it was not observed that, owing to the condition of the gauze and the practical absence of ventilation, it was in fact unfit to carry a hundred prisoners.

#### The Use of Luggage Vans.

The practice of using luggage vans for the conveyance of Moplah prisoners first started on September 2nd, when L. V. 1716 was selected for the conveyance from Tirur to Coimbatore of Ali Mussaliar and his fellow prisoners, 39 in all. An account of this selection is given us by Mr. Reeve, Traffic Inspector at Tirur (witness No. 1). He states that the question how Ali Mussaliar and his gang should be removed to Coimbatore was discussed in the presence of Colonel Humphreys, Mr. Evans and other officers. He suggested that they should be taken in an ordinary third class carriage but this proposal was rejected as unsuitable as it entailed the use of a very large escort. He next pointed out a cattle truck which was also rejected as the only means of ventilating it would have been by leaving the doors as well as the windows open. This could not have been done without grave risk of the prisoners escaping. Finally he pointed out luggage van No. L. V. 1716 of the Madras and Southern Mahratta Railways. This was visited, looked at and accepted as suitable.

The decision of September 2nd to despatch Ali Mussaliar and his gang in L. V. 1716 was followed by the similar use of other luggage vans for the transport of prisoners and became established as a regular practice. Between September 2nd and November 19th, 2,549 prisoners were carried from Tirur in luggage vans on 32 different journeys. Eleven different luggage vans were used, some of them belonging to the South Indian and other to the Madras and Southern Mahratta Railway. Particulars of the measurements and ventilation of these vans are given in Appendix II (Not quoted). While all the vans were of the same general type there were variations in actual measurements, in the number of doors and in the number and dimensions of the roof ventilators. The vans also varied in respect of the lining which, in some of them, was placed inside the venetians. Three of the vans had no such lining at all. One had a wire gauze lining with five meshes to an inch and three others of similar gauze with eight meshes to an inch,



Three were lined with zinc with comparatively large perforations : this material is easily torn and in the case of one van which we examined we found that a large part of the lining had been removed. Two vans (L. V. 1711 and L. V. 3) were lined with wire gauze of very close mesh, namely, eighteen to an inch. In both these vans the gauze had been painted over and was almost completely choked.

The number of prisoners carried in single vans varied from 30 who travelled in L. V. 1 on September 10 to 122 carried in L.V. 8 on September 23, both journeys being made to Coimbatore. Five different Sergeants escorted the prisoners on various occasions and Sergeant Andrews who was in charge of the ill-fated van on November 19, had himself previously taken as many as 112 prisoners to Cannanore and 100 to Bellary.

#### Vans not Unsuitable

The view has been put forward in the press and elsewhere that the use of luggage vans for the conveyance of prisoners could not in any circumstances be considered as safe or suitable. In this view we do not concur.

We have ourselves inspected several of the vans used, and the conclusions at which, as laymen, we have arrived is that the vans though not intended for passengers are not "*per se*" unsuitable, within certain limits, for the conveyance of human beings. They are not closed trucks but ventilated vans. Where the ventilation through the venetians is not obstructed there is sufficient perforation to enable a considerable number of persons to be carried in them with safety. This is the case where the venetians are not lined at all or where they are lined with gauze of the larger meshes which, as we have found by experiment, interferes but little with the current of air. Our opinion on this point is confirmed by the evidence of the Surgeon-General who sees no objection to the use of luggage van as such for carrying passengers in an emergency provided there is ventilation. He himself made an experimental journey in L. V. 7, and considers that that van could safely be used for the transport of a large number of men. He points to the fact that to his knowledge somewhat similar vans were used in England during the war in hospital trains. Of the other medical witnesses Major Forrest, District Medical and Sanitary Officer, Coimbatore, was doubtful whether these vans could properly be used for prisoners and did not consider that any van of the type is fit to carry 100 persons on the journey. Captain Matthai I. M. S. of the Bage Hospital, Podanur, while recognising that the ventilation in the vans which we had seen varied considerably, did not consider any of them fit to carry 100 prisoners. As a medical man his view was that the vans would not be fit to carry human beings even if the



gauze lining were absent. Dr. O'Connor, Railway Medical Officer at Podanur, was of the same opinion. But the evidence of practical experience is against this view. No report that the health of the prisoners affected by the manner in which they were conveyed was received from any of the jails to which they were taken. The Jailer (witness No. 51) of the Coimbatore Jail which received the majority of the prisoners states specifically that so far as he knows none ever arrived in bad condition. The fact that two prisoners (witnesses Nos. 49 and 50) who travelled in a batch of 150 to Coimbatore on November 5 say that they fainted in the train does not shake this evidence. It appears that they soon recovered and after a short pause in Coimbatore were able to march to the jail. In the absence of evidence as to the general health of these two prisoners at the time of their journey we can draw no conclusion as to whether their indisposition was attributable to the conditions under which they travelled or to other causes, and we adhere to the conclusion that, within certain limits as to the number of persons carried and the length of the journey, the use of these vans was not dangerous to human life. We entirely accept the Surgeon-General's summary of the position, viz., that there was no objection to the use of luggage vans as such for carrying prisoners during an emergency provided that there was ventilation.

#### Sergt. Andrews not to Blame

Both the Tirur Sub-Magistrate and Sergeant Andrews are mentioned as having taken some part in the decision to use L. V. 1711 on November 19 for the conveyance of prisoners to Bellary. We are unable to say which of those officers should be regarded, technically, as having authorised its use. But the point is of no importance. In using the luggage van they were following a practice initiated by their superior officers and continued with their approval. The number of prisoners to be despatched had been equalled or exceeded on previous occasion. The chalking of the gauze, it is true, rendered the conditions as to ventilation entirely different from those in the majority of the other vans, but even this feature was not peculiar to L. V. 1711. It appeared also in L. V. 3 which had already been used on October 3 for the conveyance of 42 prisoners to Coimbatore. The Sub-Magistrate himself had no occasion to inspect the interior of the van. Sergeant Andrews did inspect the van but only to satisfy himself to its security. In making use of a van which, so far as he was aware, was similar to those previously used for even a larger number of prisoners he was acting under the orders expressed or implied of his superior officers, and we cannot in the circumstances hold that either the Sub-Magistrate or Sergeant Andrews can be blamed for continuing the practice and using the van.



In the circumstances narrated the use of L. V. 1711, which was the immediate cause of the catastrophe, can only in our opinion be described as a *most deplorable accident*. This is so far as the Sub-Magistrate and the Sergeant of Police are concerned. We will refer later to the part which the railway officials played in the matter.

If we seek for the remoter causes of the disaster they are to be found in the practice which had grown up, and to which the incident of November 19 was a natural sequel, of despatching prisoners in luggage vans without separate consideration in each case of the condition of the van and the number of persons whom it was fit to carry. To the original selection of L. V. 1716 on September 2 for the conveyance of Ali Mussaliar and 33 others to Coimbatore, we take no exception. The prisoners were dangerous rebels who were guilty of murder. A very large escort would have been needed if they were to be transported in open carriages through the rebellion area. The small number of troops and police then available in Malabar was needed for active work in the suppression of the rebellion and it was desirable to detach as few as possible of them from that work. The Sub-Jail at Tirur already held far more prisoners than it could safely accommodate and the removal of Ali Mussaliar and his gang was a matter of urgency. The number of persons to be carried in the van was in our opinion well within the limit which could be carried in comfort; moreover 39 persons could be, and were in fact, placed in two compartments, leaving the third compartment available for the escort which travelled in it with the doors open.

#### A Considerable Risk

The continuance up to November 19 of the use of these luggage vans stands on a somewhat different footing. Even though a luggage van was not, as such, an unsuitable form of conveyance and even though successive journeys without mishaps may have confirmed the impression conveyed by the first journey that they could be safely employed for prisoners, the fact remains that the use of these vans was unusual, that they were not constructed or intended for the carriages of human beings, and that in sending prisoners in them without giving separate consideration in each case to the ventilation and to the number of persons for whom it was sufficient, a very considerable risk was being run. Such a risk undoubtedly existed, as pointed out by the Surgeon-General, when 122 prisoners were sent in a van to Coimbatore on September 3. Other occasions when exceptional risk was taken were September 4, when 111 persons were sent in a single van to Coimbatore and October 3 when 42 prisoners were despatched to Cannanore in L. V. 3 which



resembles L. V. 1711 in every respect including the painting over of the fine wire gauze netting.

We realise that great caution must be exercised in assuming that the dangers of the system which are now patent should have been equally obvious before the catastrophe occurred, and we recognise that repeated journeys made without accident obscured the danger which lurked in the use of these vans ; but we are nevertheless deliberately of opinion that the desirability of abandoning the unusual form of conveyance and reverting to the use of open carriages at the earliest possible moment should not have escaped consideration. So long as it was impossible to provide adequate police guard to escort prisoners in open carriages from Tirur the continued use of luggage vans was probably unavoidable. A risk was in fact being run, but we quite recognise that, in what were practically war conditions, some risks had to be taken. But when the number of troops and police increased, the position in our opinion changed. We observe that rebel prisoners despatched after conviction from other parts of the districts, *E. G.*, from Calicut and Cannanore passed through the rebellion area in open carriages and that police were evidently available to furnish for them an escort of the necessary strength ; and we cannot but think that if consideration had been given to the matter it would have been possible to find Police to furnish similar escorts from Tirur. The fact is that once the system had been started no consideration was paid by any one to the question of reverting to the recognised form of conveyance. The superior officers dismissed the whole matter from their minds and left it to the unregulated discretion of the subordinate officers at Tirur, the Sub-Magistrate and the Sergeants of Police. We do not consider that it would be fair to expect from officers of this class the initiative which would have recognised the risk that was being run and would have moved for the adoption of a safer system. In so far as the practice of using luggage vans contributed to the disaster of November 19 we consider that responsibility must lie on the superior officer who permitted the practice to continue indefinitely and without proper regulation.

#### Hybrid Martial Law

Owing largely to the somewhat hybrid nature of the Martial Law arrangements which were and are in force in the district and which have left in some obscurity the relative duties of the Civil and Military authorities, it is not easy to say with certainty who the superior officer was, on whom fell the duty of arranging for the removal of prisoners from Tirur. *Prima facie*, it might be thought that the officers who are named as having taken part in the first selection of L. C. 1716 or as having



personally witnessed and approved the despatch of prisoners in L. V. 8 on September 3 should be regarded as exercising authority in the matter. These officers are Colonel Humphreys, Military Commander, Mr. Evans, Special Civil Officer, and Mr. Hitchcock, District Superintendent of Police. Although Colonel Humphreys has no definite recollection of having taken part in the discussion which led to the use of the first van he does not wish to dispute the correctness of Mr. Reeve's statement that he was present, and Mr. Reeve's recollection is supported by that of Mr. Evans. Colonel Humphreys, however, claims that his responsibility as Martial Law Commander ceased as soon as the prisoners were handed over to the Sub-Jail. Mr. Evans thinks otherwise, pointing out that the prisoners were Military prisoners, tried and convicted by Courts established under the authority of the Military Commander, and that the premises of the Sub-jail itself were under military control. We realise that in the conditions which existed at Tirur in the earlier part of the rebellion no nice discrimination between the duties of the Military and Civil officers was either necessary or possible. Both were working together to accomplish the main object of suppressing the rebellion. But on the technical point we are inclined to hold that Colonel Humphreys' attitude is correct and that the responsibility for the removal of prisoners from Tirur did not in fact rest upon the Military.

#### Position of Mr. Evans

As regards Mr. Evans though he also has no very definite recollection of the selection of the first van it appears from a letter which he wrote to the Committee on December 8 that he was present. He also witnessed the despatch of prisoners in a similar van on September 3. He thus knew that the system had been initiated, but as he himself told us he was not afterwards personally aware whether the practice had been continued or not. So far as regards formal responsibility for the continuance of the practice the position of Mr. Evans is obscure. His appointment was that of Civil Adviser to the Military Commander. He was also Additional District Magistrate though it does not appear that in that capacity any definite administrative functions were ever assigned to him. But it does not appear that he did, no doubt rightly, assume at some stage responsibility whether on his own account or on behalf of the Military Commander for the dispatch of prisoners. The telegram from the Sub-Magistrate on November 19 stating that the Sub-Jail was full and asking for orders was sent to Mr. Evans and replied to by him. We find also from the Sub-Magistrate's evidence that he had received verbal instructions from Mr. Evans to dispatch prisoners to Bellary in batches of 100 and Mr. Evans himself, in his letter of December 8 mentions that he



had instructed the Sub-Magistrate as Sub-jail officer to take charge of the prisoners and their dispatch.

In the circumstances we must regard Mr. Evans as the officer on whose authority the despatches of prisoners were made. In so far as the practice of using luggage vans contributed as a more remote cause to the final disaster, we must place responsibility on him. But we desire that the weight of this finding should not be exaggerated. The very heavy responsibilities laid on Mr. Evans as Civil Adviser to the Military Commander and the exacting nature of his active duties in helping in the suppression of the rebellion were calculated to absorb his whole attention, while the continued use of vans week after week without mishap must, from a practical standpoint, have encouraged the view that there was no need for him personally to interfere. \*

#### Mr. Hitchcock's Responsibility

We have considered whether some part of the indirect responsibility would fall on Mr. Hitchcock. It is not certain that he was present at the first selection of a van, but we have it on his own statement that he did witness and take part in the despatch of prisoners on September 3 and saw no reason to object to the arrangements made. The actual care of prisoners during their journey and responsibility for their safe delivery at their destination lay upon the Police and to this extent at least it was for Mr. Hitchcock to see that the arrangements made for their transport were safe and satisfactory. But the obscurity arising from the Martial Law arrangements is again found here, for Mr. Hitchcock and his force were themselves under the orders of the Military Commander. We shall not, however, labour this technical point. Mr. Hitchcock having been continuously employed from the beginning of September with the troops in active warfare with the rebels, it would be unreasonable to expect that he would have had time or opportunity to give personal attention to the local arrangements at Tirur.

#### The Railway Officials.

We have now examined the responsibility direct and indirect of the Government officials concerned in the matter, but as we have

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\*A statement was made in the Legislative Council that the method of carrying Moplah prisoners in vans had been the subject of complaint in the press and it was suggested that the complaint should have been inquired into by those responsible for the conveyance of prisoners. We have been unable to trace any such complaint made before the event with the exception of a note in the "Indian Social Reformer" of September, the 25th. This paper is published in Bombay and does not appear to have any great circulation in this Presidency, and there is no reason to suppose that the paragraph came to the notice of the Government officials concerned.



already suggested there are others whose responsibility needs also to be considered. These are the officials of the South Indian Railway. It was suggested to us that the practice of using luggage vans for the conveyance of prisoners having started under Military authority in a Martial Law area the requisitions made for such vans were imperative and could not be questioned by the Railway officers. Whether such an impression existed on the part of the Railway officials we do not know: the evidence given us by Colonel Humphreys and Mr. Evans shows clearly that there is no foundation for such a belief. But even if it were thought that the Railway Company when called upon to do so were bound, in departure from their own rules and regulations, to supply luggage vans for the use of prisoners, that would still in our opinion not absolve them from the responsibility for seeing that the structure and condition of the vans were such as would make it safe for the prisoners to be transported in them. When a van was obtained on requisition information as to the number of prisoners whom it was proposed to load was given and we consider that it was the obvious duty of the Railway authorities, before issuing tickets for any particular dispatch to satisfy themselves that the van used was both in regard to space and ventilation and in other respects suitable for the number of prisoners named. Colonel Humphreys pointed out in his evidence that if he intended for a van for 100 prisoners and Railway Company had no van suitable for that number, he would expect them to say so and supply more than one van. We think that this very fairly sets out the position. The fact that the transport of prisoners in luggage vans was contrary to the ordinary railway practice made it in our opinion all the more incumbent on the Railway administration to decide separately in regard to each van what number of prisoners could be carried without danger to life or health. That this responsibility was to some extent recognised by the Railway officials appears in the record before us. When on September 25th the Sub-Magistrate asked the Station Master how he could convey the fifty-four prisoners to Madras, the Station Master replied, "I have a truck of the same kind used hitherto it there is no objection to use, considering the distance." Again Mr. Reeve when asked by the Sub-Magistrate on November 19th how many prisoners could be loaded in the two vans which were available, he replied that it was left to the Sub-Magistrate to decide how many he should put in. In both these instances there is a clear attempt to shift responsibility to the Sub-Magistrate: in other words there was a recognition of the fact that the primary responsibility lay on the Railway Company. We consider that it was for Mr. Reeve when thus applied to and not for the Sub-Magistrate to decide not only the



number of prisoners that the van could accommodate but also whether the van was suitable for their conveyance at all, and if he thought it was not to point out the fact and specifically to decline to take any responsibility for the dispatch. Had it been a question of structural defect, such for example as a dangerous floor, the Railway authorities would undoubtedly have refused to sanction the use of the van, and in our opinion a similar obligation lay upon them to decide whether the van was in other respects suitable for the purpose for which it was being provided. We must, therefore, place upon the Railway Company the main responsibility for the use of the ill-fated van and for the consequences which followed. We hold further that in tendering and supplying vans throughout the period for the purposes of carrying prisoners, without separate examination and decisions of the number of prisoners that could be carried in each case, the Railway authorities contributed to the indirect causes of the disaster.

Mr. Reeve, the Traffic Inspector, was for the greater part of the period the principal local representative of the South Indian Railway at Tirur. It was he who first tendered a luggage van on September 2nd as a means of conveyance suitable in the emergency for the conveyance of prisoners: he was constantly on duty and must have been aware of the later dispatches: and lastly on November 19th, it was he personally who supplied Van No. 1711 to Sergeant Andrews. Subject to any administrative rules of the Railway which would transfer the responsibility to some other officer, we feel bound to place it on him. As desired by Government we have informed him of this conclusion, but beyond pointing out that on November 19th there was a second van available which could have been used in addition to L. V. 1711, he desired to make no further statement at the time.

#### Condition on the Journey.

It remains to consider how it was that the condition of the prisoners was not discovered during the journey and attention given to them which would have averted the catastrophe. Had the doors been opened either at Shoranur or at Olavakot, where the train stopped for a considerable time, the suffering and the deaths, if not altogether avoided, would certainly have been reduced. We have considered the question whether in the ordinary course Sergeant Andrews should have opened the doors at Shoranur to give water to his prisoners. Three of the other Sergeants who conducted similar escorts were in the habit of doing so but one was not. Allowance must, we think, be made for a legitimate difference of opinion as to the temperament of Mopla prisoners and the



risk run in giving them a chance of escape while passing through the fighting area—a risk which is considerably enhanced when as in this case the journey was made at night. Five constables and a head constable were clearly a very small force with which to meet a rush of 33 moplal prisoners, the occupants of one compartment, if they had chosen to break out. The prisoners having received plenty of water before they left Tirur should not in the ordinary course have needed more at Shoranur. We are not in the circumstances inclined to blame Sergeant Andrews for omitting to make before hand any arrangements for opening the van doors at Shoranur. We find no reason to regard his omission to do so as indicating any special callousness or indifference to the prisoners' needs. The same remark applies to Olavakot. There the risk was smaller but was still, we think, appreciable. But there is another aspect of the matter. The surviving prisoners say that even before they reached Edakkulam, the first station after leaving Tirur, they had begun to suffer from the heat and want of air and that they called out for water at every station. The railway staff at the earlier stations as well as certain sepoys posted at Eddakkulam deny that they heard any noise : so also do the men of the escort who travelled in a carriage adjoining the prisoners' van. We see no reason in all the circumstances to discredit the prisoners' own statement. We have satisfied ourselves by experiment that a noise inside the van is clearly audible outside. We do not accept the denial by the witnesses that any noise was heard and we regard it as the result of a concerted attempt to conceal the facts. At Shoranur, however, there is clear evidence that there was considerable clamours for air and water from the Prisoners van. Sergeant Andrews himself heard the prisoners asking for water. The head constable and constables of the escort also heard them though they declare that the prisoners were not calling out very loudly and that they gave no indication that they were suffering from want of air. On the other hand a Goods Supervisor who was on the platform (witness No. 21) was attracted by the noise from the van, and though he describes the prisoners' request for water as being uttered in normal tones and not as if in distress, he was sufficiently impressed to offer to supply water. We have reason to think that the impression made on him by the prisoners' cries was greater than he was willing to admit when he gave evidence before us. A private traveller, Mr. Cordeya (witness No. 57) was also attracted by the shouting and mentioned the fact to Captain Mathai when he reached Podanur. The prisoners themselves are unanimous in asserting that they shouted out for water at every station. Some of them declare that they also especially asked to be given air and one witness (No. 32)



adds that he himself called out that some of the prisoners were dead. At Olavakot we have independent evidence that the noise from the van was such as to suggest that the prisoners were in distress. The Assistant Station Master heard a sort of moaning. A Nayar witness, a refugee who can hardly be suspected of any great sympathy with the prisoners, states that the prisoners' cries sounded to him as if they were in distress. He is corroborated by a timber merchant (witness No. 22) and also by a Mahomedan who was on the platform.

#### Nature of the Clamour

It is impossible on the evidence to define with complete certainty the nature of the clamour made by the prisoners but, apart from the evidence of the witnesses, when it is borne in mind that the van was full of men dying for want of air, we cannot avoid the conclusion that the shouting and moaning and calls for water and air must have been so exceptional and so striking that they ought to have attracted the special attention of the Sergeant and his escort. We accept Sergeant Andrews' statement that it was usual for Moplah prisoners to call for water, and we recognise that, not having inspected the gauze lining, he had no grounds for suspecting the practical absence of ventilation. But we nevertheless consider that he was to blame for failing to take notice of the cries and to investigate for himself the reason for what, as we conclude, must have been a very unusual clamour both in its extent and in its nature.

Had Sergeant Andrews spoken to the prisoners either himself or through the constables of his escort the conditions inside the van would, we believe, have been disclosed, and in spite of the smallness of the escort some arrangements could doubtless have been made for affording the necessary relief. We have carefully considered what description can fairly be applied to Sergeant Andrews' conduct in the matter. We acquit him of deliberate inhumanity. How far, if at all his action, or inaction, may have been influenced by the feeling that the prisoners were Moplahs whose conduct entitled them to little sympathy, we are unable to say. But however that may be we consider that in omitting to investigate the reason for their exceptional clamour he failed in the attention which he was bound to give to the prisoners in his charge and was guilty of negligence. In so far as they failed to convey to the Sergeant the clearer understanding of the position which their better knowledge of the language must have given them, the head constables and the constables of the escort must share in this condemnation. We have informed Sergeant Andrews of our conclusion but he desired to make no further statement at the time.



## The Government of India Resolution on The Knapp Committee Report

The Government of India published on 30th August 1922 their views on the Committee appointed by the Madras Government presided over by the Hon'ble Mr. Knapp and consisting of Mr. M C. Krishnavarma Raja, Mr. Manjeri Rama Iyer and Mr. Kalladi Moideen to enquire into the causes of the Moplah train tragedy at Podanur in November 1921.

The Government of India observe that on the 21st November last they learnt with profound horror and regret of the death on the journey from Tirur on the 19th November of a large number of Moplah prisoners who were being conveyed to Coimbatore.

In the interval that has since elapsed the circumstances of this deplorable tragedy have been the subject of prolonged investigation. An enquiry was held by the Railway Authorities on the 24th and 25th November and a separate and fuller investigation was conducted later by a Committee appointed by the Madras Government and consisting of the Hon'ble Mr. Knapp and three Indian non-official gentlemen.

The report of this Committee was submitted to the Madras Government towards the end of January last. Some further enquiries were subsequently instituted by the Local Government with a view to elucidating certain points arising out of the report and it has also been necessary to obtain from England the explanation of one of the officers concerned. The issue of orders on the report of the Committee has thus been unavoidably delayed.

These orders would ordinarily have been passed by the Local Government, but the persons whose responsibility had to be determined include not only officers serving under that Government but also the military Commander and the Railway authorities. It would be difficult if not impossible to make any announcement regarding the former without implying conclusions regarding the latter and it has therefore been decided with the concurrence of the Madras Government that the whole case should be dealt with by the Government of India who alone are in a position to pass judgment on all the issues involved.

The Government of India have given to these issues their most careful consideration and they are now in a position to announce their conclusions.

The Malabar Rebellion broke out on the 20th August. Colonel Humphreys took charge as Military Commander on the 22nd and Mr. Evans joined him as Civil Adviser on the 25th. Mr. Hitchcock,



the District Superintendent of Police acted as Intelligence Officer and was also in command of a force of Police operating under the Military Commander up to the 14th of October. All those officers had their headquarters at Tirur, a small town on the South India Railway between Podanur and Calicut at which there is a sub Jail with 8 wards for prisoners. From the 14th October onwards they transferred their headquarters to Malappuram leaving the Sub Magistrate at Tirur in charge of the sub-jail which was the only available depot for the forwarding of prisoners sent to rail from places inland. In the meantime the ordinance creating the summary courts had been issued on the 29th August and in the course of the next few weeks the Courts created by it had dealt with a large number of prisoners of whom the majority were despatched to jails outside the district. On the 31st August a sharp action took place at Tirurangadi in the course of which the notorious and dangerous rebel Ali Musaliar with 38 others was captured alive, the remaining 24 of his force having been killed whilst attacking the troops. This batch of prisoners was brought into Tirur.

The subsequent course of events as indicated in the evidence recorded by the Committee were as follows. It was decided that these prisoners should be sent for safe custody pending their trial to the Central Jail at Coimbatore and the question of the best means of effecting the transfer came under consideration. The only connected account of what took place on this occasion is that furnished by Mr. Reeve, the Traffic Inspector, but there is no reason to distrust the evidence of this officer and it appears from his statement that the matter was discussed with him by Col. Humphreys and Mr. Evans. Mr. Reeve thought that Mr. Hitchcock was also present but on this point he was unable to speak with certainty and Mr. Hitchcock himself has no recollections of the incident. Mr. Reeve first suggested third class carriages which were rejected as unsafe in the condition of the country without a larger escort than was available. He then offered the other vehicles at his disposal, a cattle truck which was rejected as affording no means of ventilation unless the doors and windows were open and a luggage van which was visited was looked at and accepted as suitable. This van contained three compartments and the 30 prisoners were despatched in it on the 2nd September 1921 with the escort in one compartment of which the doors were kept open and the prisoners in the other two compartments with the doors closed. On the day following a requisition was received from a military officer for a truck for 100 prisoners and 122 men were despatched in another luggage van. This luggage van was not divided into compartments and the escort travelled in another vehicle. The circumstances



attending the despatch of this van, have not been fully elucidated. It appears however that Mr. Evans, Mr. Hitchcock and certain military officers were present and that Mr. Hitchcock saw the prisoners being placed in the van and gave orders as to the way in which they should be marched in it. It has not been possible to ascertain whether Col. Humphreys was one of the military officers present, what part if any taken in the despatch of the van by the officers of the South Indian Railway Company and for what reasons the despatch of the prisoners was ordered. It was probable however that the transfer was necessitated by the extreme overcrowding of the sub-jail. The evidence shows that the health of the prisoners was not affected.

#### **"A Regular Practice"**

From this date onwards the despatch of prisoners in luggage vans became a regular practice and no less than 2549 prisoners travelled in this way, 1411 of them going to Coimbatore, 456, to Cannanore, 151 to Madras 100 to Vellore, 104 to Trichinopoly and 327 as far as Bellary. Eleven different luggage vans were used, some of them belonging to the South Indian Railway Company and some to the Madras and Southern Maharatta Railway. Whilst all these vans were of the same general type, there were variations in the actual measurements in the number of doors and in the number and dimensions of roof ventilators. The vans also varied in respect of the lining which in some of them was placed inside the venetians. Three of the vans had no such lining at all and in the case of one van a large part of the lining had been removed. One van L. V. 3 was lined with wire gauze of very close mesh, namely 18 to an inch. The gauze had been painted over and was almost completely choked out. Other means of ventilation were available and the van was used once only when the number of prisoners conveyed was 42 only.

#### **The Fatal Waggon**

On the 19th Nov. the Sub Divisional Magistrate of Malapuram wired to the Sub Magistrate at Tirur that he had despatched a party of 200 prisoners to Tirur. The Sub-Magistrate whose jail was dangerously overcrowded had received verbal instructions from Mr. Evans to despatch prisoners, whose sentences permitted of it, in batches of 100 to Bellary jail. These instructions were confirmed when he represented his difficulties by telegram. The prisoners arrived under an escort of the Dorset Regiment and were taken into the jail and fed. Meanwhile Sergeant Andrews, the Police Sergeant on duty had been asked to arrange for transport. Sergeant Andrews saw Mr. Reeve, the Traffic Inspector who said that there were two vans available namely L. V. 1711 and a small van. The decision



whether one or both should be used was deferred till the prisoners had arrived when it was decided to despatch only 100 prisoners and to use van 1711. The van was filled with telegraph materials. These were taken out. The van was disinfected and the prisoners put in it. At about 7 P.M., the van was attached to the 7-15 P.M. train. The head constable and constables travelled in the compartment next to it and the Sergeant in a second class compartment nearer to the engine. The events on the journey will be discussed later. At Podanur where arrangements had been made to give the prisoners water the van was opened for the first time and it was then found that 56 prisoners were dead, that most of the remainder were unconscious. Everything possible was done for the survivors but of these six died on the way to Coimbatore and 8 expired in Coimbatore Hospital. The medical evidence and facts subsequently elicited as regards the character of the van places it beyond doubt that the cause of death was asphyxia. The venetians which to outward appearance afforded ventilation were found to be covered inside by a lining of fine wire gauze with about 18 meshes to an inch and the greater part of this gauze was clogged with paint and dust. As the doors were closed during the journey, there was no entrance for air beyond a few chinks in the walls and flooring.

#### Responsibility for the Crime

Broadly speaking there are two issues which fall to be determined in regard to this most lamentable occurrence. The first of these relates to the general responsibilities for the use of this particular type of van and the supervision of the manner in which they were used and the second to the special responsibility for the use of van 1711 and to the omission to open the doors and attend to the prisoners on the journey from Tirur to Podanur. As regards the former the Committee hold (1) that the use of ventilated luggage vans for the conveyance of prisoners in an emergency was not objectionable and that it implied neither inhumanity nor any deliberate indifference to the right of Moplah prisoners to the same treatment as other prisoners, but that the practice of using such vans should have been abandoned as early as possible or should have been brought under proper relation, and that, in so far as the practice contributed to the final disaster, responsibility falls on Mr. Evans the Special Civil Officer, under whose authority the removal of prisoners was conducted. As regards the latter they hold (a) that neither Sergeant Andrews nor the Sub-Magistrate at Tirur can be held to blame for following the practice already established and continued by superior authority in accepting L. V. 1711 for the conveyance of prisoners on the 19th November, and (b) that an obligation to see that the conveyances used for prisoners were



reasonably fit for such use lay upon the railway company and on their local representative Mr. Reeve, the Traffic Inspector, and that it is on them that the main responsibility for the catastrophe must lie and (c) that Sergeant Andrews was guilty of negligence in failing to take note of the condition of the prisoners as evidenced by the exceptional clamour which they made. Had he done so the disaster would have been averted or at least its consequences mitigated.

#### Official Whitewash

The Government of India concur in the view of the Committee that the use of luggage vans for the conveyance of prisoners in such an emergency was not in itself objectionable or inhuman. Though not intended for passengers the vans were not closed trucks but ventilated vehicles, and where the venetians were not obstructed there was sufficient ventilation to enable a considerable number of prisoners to be carried in them in safety. Somewhat similar vans were according to Surgeon General Gifford used in England during the war in hospital trains. As already mentioned 2,549 prisoners were carried in safety in these vans. The Superintendent of the Coimbatore Jail which received the majority of the prisoners states specifically that so far as he is aware none of them arrived in a bad condition, and had it not been for a fatal but apparently accidental fault in the construction of L. V. 1711 it is probable that the use of these vehicles would have had no untoward results and would have provoked no complaints or criticisms. In arriving at the conclusion that whilst no exception can be taken to the selection of L. V. 1716 for the conveyance of Ali Musaliar and 38 other prisoners to Coimbatore, the advisability of abandoning this unusual form of conveyance and of reverting to the use of open carriages should not have escaped consideration. The committee appear to the Government of India to have under-estimated the difficulty of providing adequate escorts. At the period in question the Police forces available despite every effort to strengthen them by the despatch of reinforcements from other districts and the raising of levies were unavoidably below the actual requirements in Malabar where every available man was required for the protection of life and property of the inhabitants. The arrangements at Calicut cannot fairly be compared with those at Tirur where much larger numbers of prisoners had to be dealt with. The use of the luggage vans undoubtedly gave the overworked Police the much-needed relief. As already shown it involved no serious risk provided that there was ventilation and in these circumstances the Government of India can not regard the continuance of the system as justified. They agree however with the committee that the



practice of using vehicles of this exceptional type which were never intended for the conveyance of human beings should not have been left to the unregulated discretion of subordinates but should have been brought under proper regulation. They concur also in the view of the committee that for the commission to take this precaution the military commander cannot be held responsible. The object of Martial Law is to restore order and all the powers specially conferred by the ordinances on the military commander or exerciseable by him in virtue of the proclamation of Martial Law are to be exercised solely for this purpose. The proclamation of Martial Law did not therefore involve the automatic and complete supersession of the whole civil administration, though the extent to which this was in a position to function in the case of Malabar was narrowly limited by the conditions prevailing, and the automatic transfer to the military commander of responsibility for the operations of such civil departments or organisations as were still working were subject to such measures of limitation, regulation and control as the military commander might for the purpose of restoring order impose. The removal of prisoners from one jail to another jail was therefore a matter for the civil authorities save in so far as their powers might be restricted or regulated by the military commander in the exercise of his responsibility for the suppression of the rebellion and the conduct of military operations and in fact there was no such restriction or regulation. It is true that the military commander was present at and took part in the discussion regarding the selection of L. V. 1711 on the 22nd September but his concern in that decision was limited to the question of security and did not extend to the suitability from the point of view of health and sanitation of vehicles of this class for the conveyance of human beings. The Government of India has accordingly no hesitation in exonerating the military commander.

**Mr. Hitchcock's Share**

The care and escorting of prisoners is normally a function of the police, and for the reasons above stated, it did not cease to be such in so far as the transport of prisoners from the Tirur Sub-Jail was concerned owing to the proclamation of Martial Law. The escorts were in fact provided throughout. The Superintendent of Police, Mr. Hitchcock, was during the period in question constantly employed with troops in active warfare, but it has since been ascertained that he was aware that large numbers of prisoners were regularly being conveyed from Tirur on luggage vans and that though after the 3rd September he halted at Tirur only on one date, namely



the 6th September, he passed through Tirur on a number of occasions in the course of his journeys to Calicut, Malappuram and Ponnani. In these circumstances the Government of India cannot accept the conclusion of the committee that it was impossible for Mr. Hitchcock to have had time or opportunity to give personal attention to the local arrangements at Tirur. Mr. Evan's appointment was that of civil advisor to the military commander. The duties of this post do not seem even to have been definitely and precisely formulated. Instructions were however undoubtedly issued by Mr. Evans in regard to the distribution of prisoners. The telegram from the Sub-Magistrate on the 10th November stating that the sub-jail was full and asking for orders was sent to Mr. Evans and replied to by him. The Sub-Magistrate received verbal instructions from Mr. Evans to despatch prisoners to Bellary in batches of 100 and Mr. Evans states that he issued orders to the Sub-Magistrate both at Ponnani and at Tirur for the transfer of prisoners from those places.

It is clear, therefore, that Mr. Evans could, had it occurred to him to do so, have issued orders regulating the conditions to be observed in regard to the conveyance of the prisoners in luggage vans. The Government of India has carefully considered the explanations which have been submitted by the officers. They appreciate the admirable services rendered during the rebellion by Mr. Evans and Mr. Hitchcock and they recognise the arduous character of the work which developed upon them. Mr. Hitchcock as already stated was constantly engaged in military operations and Mr. Evan's duties were multifarious and exacting. Moreover, the only vans with which they were directly acquainted, namely those despatched on the 2nd and 3rd September, were vehicles to the use of which no exception can be taken and the accidental defects in L. V. 1711 which were the direct cause of the disaster could not have been foreseen. Nevertheless, the Government of India cannot but greatly regret that neither of these officers took steps to bring the practice of conveying prisoners in these luggage vans under proper regulation. Had it been laid down that a responsible civil officer should, in consultation with the railway authorities, satisfy himself that the ventilations of each van was adequate for the number of prisoners despatched in it, it is almost certain that no loss of life would have occurred. As between Mr. Hitchcock and Mr. Evans the Government of India think that the larger share of responsibility attaches to Mr. Evans who was constantly at Tirur and had therefore greater opportunities for looking into the arrangements at that place for the transport of prisoners and was the superior officer.



## The S. I. Ry. Company

The evidence at present available is not sufficient to enable the Government of India to determine what measure of responsibility, if any, attaches to the South Indian Railway Company. On this point a further enquiry is required and will be conducted by the Hon'ble Mr. Knapp, whose services are being lent to the Government of India by the Madras Government for this purpose, and by Lt. Col. Barnardiston, the Senior Inspector of Government railways, and the Government of India will reserve their conclusions till the report of these officers has been received and considered. It remains to discuss (a) the selection and use of van No. 1711 on the 19th November, and (b) the events on the journey from Tirur to Podanur. As regards the former, there are discrepancies in the account given by the persons concerned, but these are unimportant and do not affect the conclusions to be drawn.

## Sergeant Andrews to be Prosecuted

The Government of India accept the finding of the Committee that no responsibility can be imputed to the Sub-Magistrate of Tirur. The Sub-Magistrate had himself no occasion to inspect the vans and the general regulation of the system of transporting prisoners from Tirur was not one of his functions. They cannot however agree with the committee that Sergeant Andrews cannot be blamed for using this particular van. As the Police Officer in charge, or he should not have limited his inspection of the van to the question of security but should have satisfied himself that the accommodation was suitable for the conveyance of the prisoners. The Government of India consider that in omitting to take this precaution he was reprehensibly negligent. In this respect Mr. Reeve, the Traffic Inspector, can be held to have been still more blameworthy. The suggestion that the van was made over by him under a requisition which could not be questioned is entirely unsupported by the evidence and was rightly rejected by the Committee. According to his statement, Mr. Reeve was asked for accommodation for 200 prisoners. He replied that two vans were available, thereby clearly implying that these were suitable. He subsequently handed over L V 1711 of which he had made no previous examination whatever and he saw the prisoners placed in the van. That he should have examined the van is in the opinion of the Government of India indisputable and they can only regard this failure to do so as an omission amounting to culpable negligence. At the same time they think it only fair to add that this conclusion has been reached on the evidence available and that owing to his death Mr. Reeve could not be given an opportunity of offering any formal explanation which he



might have desired to put forward. The events on the journey are fully discussed by the Committee. They are not inclined to blame Sergeant Andrews for omitting to make beforehand any arrangement for opening the van doors at Shoranur or Olavakot but they see no reason to doubt the statements of the prisoners that they had called out for water at every station. There is clear evidence, they state, that at Shoranur there was considerable clamour for air and water from the prisoners' van. Sergeant Andrews himself admits that he heard them asking for water and the head constable and constables also heard them at Olavakot. There is independent testimony that the noise from the van was such as to suggest that the prisoners were in distress. The Committee observe that it is not possible to define with complete certainty the nature of the clamour made by the prisoners but they cannot avoid the conclusion that the shouting and moaning and calling for water and air must have been so exceptional and so striking that they ought to have attracted the special attention of the Sergeant and his escort. The Government of India concur in this conclusion. They do not wish to dispute the views of the Committee that Sergeant Andrews was not guilty of deliberate inhumanity but they consider that in disregarding the cries and failing to investigate for himself the reasons for what must, in the words of the Committee, have been a very unusual clamour, both in its extent and nature, the Sergeant displayed culpable negligence. They also agree with the Committee that the Head Constable and Constables, who failed to convey to Sergeant Andrews the clearer understanding of the position which their better knowledge of the language must have given them, must share in this condemnation. The Government of India have instructed the Government of Madras that a prosecution should be instituted against Sergeant Andrews. It will rest with that Govt. to decide what action, in view of the findings above recorded, should be taken in regard to the head constable and constables.

In conclusion, the Government of India desire to express their deep sympathy with the families and relatives of the unfortunate men who perished in the lamentable disaster. In a large part that disaster was the result of circumstances for which no one can be blamed for the accidental defect in the construction of L. V. 1711 and the disturbed conditions in Malabar which necessitated the employment, for the conveyance of prisoners, of this type of vehicles. In part, however, responsibility rests in greater or lesser degree on some of the officials concerned. The Government of India have sought in this resolution to assign and to measure that responsibility as impartially and as accurately as it lay in their power to do.

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# Report of The Indian Fiscal Commission

The Indian Fiscal Commission was appointed by the Govt. of India in October 1921 in accordance with the recommendations of a Committee of the old Imperial Legislative Council on Imperial Preference out of whose deliberations the question of Fiscal Autonomy of India mainly arose. The members of the Commission were :—Sir Ibrahim Rahimtoola, President, and Mr. J. M. Keynes, C. B. of Oxford, Mr. T. V. Seshagiri Ayyar of Madras, Prof. J. C. Coyajee, Sir M. B. Dadabhoi, Sir Edgar Holberton of the Burma Chamber of Commerce, Sir Montagu Webb of Karachi, Mr. G. W. Rhodes of Messrs Hoare, Miller & Co, Mr. R. A. Mant of the Govt. of India, and Messrs Jambadas Dwarkadas, Ghanshyamdas Birla and Narottam Morarjee, as members. About this time a vapid agitation of the Sydenham gang in England was stirring up Lancashire to fight the tendency on the part of Mr. Montagu, at that time the Secretary of State for India, to allow fiscal autonomy to India, and the strong European interest represented on the Commission gave lie to the hope that the question will be properly dealt with due regard to Indian interest. Mr. Keynes however did not attend more than a very few sittings of the Commission. The Commission began work on the 10th November 1921 at Bombay and after visiting various places to collect evidence closed its public work in April 1922, and signed its report on the 6th July 1922. The report consists of two parts ; one, the unanimous report signed by all the members, and the other, the Indian minority report signed by all the Indian members including the President, except Sir M. B. Dadabhoi.

## Summary of the Main Report

### Principal Recommendations.

(1) (a) That the Government of India adopt a policy of Protection to be applied with discrimination along the lines indicated in this report.

(b) That discrimination be exercised in the selection of industries for protection and in the degree of protection afforded, so as to make the inevitable burden on the community as light as is consistent with the due development of industries.

(c) That the Tariff Board (see below) in dealing with claims for protection must satisfy itself—

(i) That the industry possesses natural advantages.

(ii) That without the help of protection it is not likely to develop at all, or not so rapidly as is desirable, and

(iii) That it will eventually be able to face world competition without protection.

(d) That raw materials and machinery be ordinarily admitted free of duty, and that semi-manufactured goods used in Indian Industries, be taxed as lightly as possible.



(e) That industries essential for purposes of National Defence and for the development of which conditions in India are now unfavourable, be adequately protected, if necessary.

(f) That no export duties be ordinarily imposed except for purely revenue purposes, and then only at very low rates ; but that when it is considered necessary to restrict the export of food-grains, the restriction be effected by temporary export duties and not by prohibition.

(2) That a permanent Tariff Board be created whose duties will be, *inter alia*, to investigate the claims of particular industries to protection, to watch the operation of the Tariff, and generally to advise Government and the Legislature in carrying out the policy indicated above.

(3) (a) That no general system of Imperial Preference be introduced ; but

(b) That the question of adopting a policy of preferential duties on a limited number of commodities be referred to the Indian Legislature after preliminary examination of the several cases by the Tariff Board.

(c) That if the above policy be adopted, its application be governed by the following principles :—

(i) That no preference be granted on any article without the approval of the Legislature.

(ii) That no preference given in any way diminish the protection required by Indian industries.

(iii) That preference do not involve on balance any appreciable economic loss to India.

(d) That any preference in which it may be found possible to give to the United Kingdom be granted as a free gift.

(e) That in the case of other parts of the Empire preference be granted only by agreements mutually advantageous.

(4) That the existing Cotton Excise Duty, in view of its past history and associations, be unreservedly condemned, and that Government and the Legislature start again with a "clean slate", regulating their excise policy solely in the interests of India.

#### Subsidiary Recommendations.

(5) That the proviso to Section 20 of the Sea Customs Act be repealed, and that Customs Duty be ordinarily levied on goods belonging to Government.



(6) That difficulties in the shape of shipping rebates or unfair advantages like dumping, depreciated exchanges, bounty-fed imports from abroad be investigated, and where possible, removed.

(7) That industrial development be promoted by giving a more industrial basis to primary education and providing opportunities for training apprentices, and organisations for increasing the mobility of labour.

(8) That no obstacles be raised to the free inflow of foreign capital, but that Government monopolies or concessions be granted only to companies incorporated and registered in India with rupee capital, such companies to have a reasonable proportion of Indian Directors, and to afford facilities for training Indian apprentices.

(9) That the tariff be not ordinarily employed for retaliation or as a means of aggression.

(10) That the tariff be elaborated with a view to remove ambiguities, and that the system of specific duties and Tariff valuations be cautiously extended.

### Details of the Report.

On the first point, *viz.*, the tariff policy of the Government of India, the conclusion of the Commission is stated in the following words:—"We recommend in the best interests of India the adoption of a policy of protection to be applied with discrimination along the lines indicated in this report." The decision in favour of a policy of protection rather than one of free trade is based on a careful analysis of the probable gain and loss in Chapters IV, V and VI. It is shown that the industrial development of India has not been commensurate with the size of the country, its population and its natural resources, and that India will derive great advantages in many directions from a considerable development of Indian industries. It is then pointed out that the conditions for a rapid industrial advance are suitable and that without the stimulus of protective duties the advance will not be sufficiently rapid. The necessity of continuing to derive a high revenue from the tariff, which is apparent from a consideration of the financial situation, is also held to lead inevitably towards protection. On the other side of the account the loss involved by the burden of increased prices and the effect of this burden on various classes of the community is examined.



It is shown that the exercise of discrimination in the selection of industries for protection and in the degree of protection afforded will ensure that the inevitable burden on the community is kept as light as is consistent with the due development of industries. The final conclusion is that, apart from the strong Indian sentiment in favour of protection, the balance of advantage on economic grounds is heavily on the side of the policy recommended.

### The Policy Justified

The justification of the policy rests largely on the manner in which it is worked, as it is held that any type of indiscriminate protection would entail a sacrifice on the part of the mass of the people out of proportion to the results. This accounts for the great importance attached by the Commission to the Tariff Board which it proposes should be constituted. The Tariff Board will be the instrument by means of which the policy will be "applied with discrimination." It is proposed in Chapter XVII that the Tariff Board should be a permanent body consisting of three members of high standing and ability. The main duties of the Board will be to investigate and report on the claims of particular industries to protection, to watch the operation of the tariff, and generally to advise the Government and the Legislature in applying the policy in detail. The functions of the Board would be advisory, and not executive, but stress is laid on the necessity of making public its findings and recommendations.

Principles are laid down by the Commission in Chapter VII for the guidance of the Tariff Board. The three main conditions which should be satisfied in the case of an industry claiming protection are :—

- (a) That the industry possesses natural advantages ;
- (b) that without the help of protection it is not likely to develop at all or not so rapidly as is desirable ; and
- (c) that it will eventually be able to face world competition without protection.

As a qualification of these general conditions it is recommended that industries essential for purposes of national defence, and for the development of which conditions in India are not unfavourable should if necessary, be adequately protected. Further, the general principles are laid down that raw materials and industrial machinery should ordinarily be admitted free of duty, and that partly manufactured goods used in Indian industries should be taxed as lightly as possible. The taxation of articles to which protectionist considerations do not apply will be outside the purview of the Tariff Board and will be regulated in accordance with the financial needs of the country.



Various supplementary measures are indicated in Chapter VIII as necessary in addition to protective duties, if full industrial development is to be attained. A more industrial bias should be given to primary education, opportunities should be provided for the training of Indian apprentices, and organizations for increasing the mobility of labour should be developed. The consideration of legislation against dumping is suggested, such legislation not to take the form of a general automatic measure, but to provide for the imposition of a dumping duty only in the case of particular commodities, and only when it has been established that dumping is taking place to the detriment of an Indian industry. Precautions are also suggested against imports from a country in which the exchange is seriously depreciated and against any system of export bounties granted by foreign countries. Reference is also made to the complaints of Indian industries against the railway rates policy and coastal shipping rates, and suggestions are made for meeting those complaints. The possibility of legislation directed against shipping rebates is suggested.

The tariff policy in India cannot be confined merely to a consideration of import duties. There are two other important classes of duties which are at present levied in India in connection with the tariff excise duties and export duties, and the Commission devotes two chapters to each of these. With regard to excise duties a general examination is made in Chapter IX of their nature, justification and effect and certain principles limiting their imposition are suggested. A separate Chapter (X) is given to the Indian cotton excise the history of which is described in detail. The conclusion of the Commission is that the existing duty should, in view of its past history and associations, be unreservedly condemned, that the British Government should announce its intention of allowing the Government of India to decide, in agreement with the Indian Legislature, what action should be taken, and that the Government of India and the Legislature should then begin with a clean slate and take such measures as the interests of India require.

### Export Duties

Export duties are dealt with in Chapters XI and XII. The conclusions of the Commission are that export duties tend to injure the home produce and that they should therefore not be utilised for protective purposes. They may, however, under certain circumstances be imposed for revenue purposes, but they should be imposed with great caution; they should be imposed only on articles in which India has a monopoly or semi-monopoly, or in every case the duties



should be moderate. The only exception to these principles which the Commission recognizes is when the price of foodstuffs shows a tendency to rise to dangerous heights. In such a case the Commission holds that it may be necessary to restrict the export of food grains and that as there are grave objections to direct Government prohibition or regulation of exports, the least objectionable measure would be a temporary export duty on food grains.

The Commission makes no definite recommendations regarding the treatment of particular industries, holding that it had not sufficient material for the purpose, and that the necessary enquiries must be made by the Tariff Board. When, however, any principle laid down by the Commission admits of direct application, this is indicated, and accordingly the Commission definitely recommends the abolition, as early as possible, of the import duties on machinery and coal, and the export duties on hides and tea.

The second main subject referred to the Commission was the question of Imperial Preference and this is dealt with in Chapter XIII. The conclusions of the Commission are that any general system of preference to British products would involve a serious burden which it would not be reasonable for India to shoulder, while, on the other hand, the possibilities of advantage to India from preferences granted to her exports are limited. At the same time India may be in a position in certain cases to grant preferences which would be of assistance to British industries and would not cause appreciable economic loss to India. The advantages on broad Imperial grounds of recognizing the principles of Imperial Preference are pointed out, and it is suggested that the question of granting preferences on a limited number of commodities be referred to the Indian Legislature after preliminary examination of the several cases by the Tariff Board. If this policy is adopted it is recommended that its application be governed by the following principles:—

(a) That no preference be granted on any article without the approval of the Legislature.

(b) That no preferences should in any way diminish the protection required by Indian Industries.

(c) That preference should not involve any appreciable economic loss to India after taking into account the economic gain which India derives from the preference granted her by the United Kingdom.

The above proposals relate entirely to preference to the United Kingdom, and it is recommended that any preference which it may be found possible to grant to the United Kingdom should be granted as a free gift. In the case of the other parts of the Empire a different policy is recommended. It is suggested that the principle



of reciprocity should be followed, *i.e.*, that preference should be granted only as the result of agreements mutually advantageous.

#### Review of Final Chapters

In Chapter XIV the tariff is dealt with in its more technical aspect. The Commission recommends that the system of specific duties and tariff valuations should be extended cautiously and that the description of articles in the tariff should be elaborated. The system of double tariffs which prevails in most protectionist countries is condemned as unsuitable to Indian conditions, and the undesirability of employing the tariff as a means of aggression or, unless in exceptional circumstances, for purposes of retaliation is emphasized. The Commission recommends that in the interests of Indian industries customs duties should ordinarily be levied on goods belonging to the Government.

Chapter XV is devoted to a consideration of the attitude to be adopted towards foreign capital. The economic advantages of foreign capital to the country are explained, the present feelings of opposition to it are indicated, the restrictions on its employment which have been suggested are examined, and the conclusion is drawn that in the interests of the country no obstacles should be raised to the free inflow of foreign capital. It is, however, recommended that Government monopolies or concessions should be granted only to companies registered and incorporated in India with rupee capital, having a reasonable proportion of Indian Directors and affording facilities for training Indian apprentices.

The position of Indian States is considered in Chapter XVI. It is pointed out that Indian States are closely concerned both as consumers and as producers in the tariff policy adopted for British India, but that their views on that policy coincide generally with those expressed in other parts of India, and that their interest will be fully safeguarded under the scheme of protection recommended.

The report begins and ends with a reference to the relations between India and Britain. In the first chapter stress is laid on the pronouncements of the British Government regarding the principle of fiscal autonomy for India. In the last Chapter the Commission explains that its recommendations have been based solely on the interests of India, but it also gives its reasons for holding that in this matter there is no real antagonism of interests between the two countries, and that a more prosperous India will mean a more prosperous Britain. The two most important chapters in the Report are the V. (Page 861) which deals with *Protection*, and the VIII. (Page 875) which deals with *Imperial Preference*. These are quoted in full in the following pages.



## The Choice between Free Trade and Protection.

### The Tariff Policy Recommended.

55. The main subject on which we have been asked to report is the tariff policy of the Government of India. This means in effect that we have to decide whether a policy of free trade should be continued or whether industrial development, the importance of which we have explained in preceding chapter, should be stimulated by a protective tariff. We think it convenient to state at once the conclusion on this point at which after the most careful consideration we have arrived. We recommend in the best interests of India the adoption of a policy of protection to be applied with discrimination along the lines indicated in this report. In this chapter we shall give the reasons which have led us to recommend the adoption of a policy of protection rather than one of free trade, and in the two succeeding chapters we shall explain why we hold that the policy of protection must be applied with discrimination, and will outline the principles in accordance with which discrimination should in our opinion be applied.

### Strong feeling in favour of Protection.

56. We have mentioned in Chapter I the longstanding and insistent demand of the public for a revision of the tariff policy, and in the course of our tour, during which we heard evidence at all the chief centres in India, we received abundant proof of the wide extent of that demand. Not only the industrialists, who might be expected to benefit directly from a policy of protection, but traders and other classes of the community whose immediate interests might seem likely to suffer showed themselves preponderatingly in favour of protection. The evidence which was placed before us on behalf of Indian States was also to the same effect. We found a general conviction that the interests of the country required a policy of protection, and in face of that a disinclination even to consider whether the individual would or would not be injured.

### Its Causes.

57. This desire for a policy of protection has in many cases been strongly reinforced by a consideration of India's past. Travelers relate that before the advent of Europeans India was a country of great wealth. The riches of the courts of the Moghals, the beauty and quality of certain of India's manufactures, in particular of her cotton goods, and the lucrative trade that attracted western adventurers to this country, are matters of common knowledge;



These writers, however, seldom glance at the economic conditions in which the great mass of the people lived. Patriotic Indians to-day looking round on the present condition of their country see that the old fame and relative importance of India's manufactures have diminished, whilst great masses of their countrymen are still poor and many are insufficiently fed and clothed. Contrasting this state of affairs with the treasures of the Moghals, and the world reputation of the Dacca muslins and other Indian manufactures, and searching for the cause of this great change, many think that it is to be found in the policy of free trade, which they believe to have been imposed on India not in her own interests, but in the interests of the British manufacturers. They see that other countries such as Japan have developed their manufactures to a remarkable degree under a system of protection, and they believe that Indians are fully capable of doing the same. They think that, if India were allowed freedom to decide her policy in her own interests, she would regain her economic prosperity. The feeling that this path to riches is barred by an outside power, and the suspicion that that outside power is actuated by selfish motives tend to stimulate the belief in the great results that would accrue from the adoption of a policy of protection. All these ideas are further reinforced by the new spirit of national pride, a spirit which in all countries tends to the encouragement of protectionist feeling by demanding so far as possible that the nation should manufacture what the nation uses.

#### Examples of other Countries.

58. The protectionist feeling in India to which we have referred is strengthened by a consideration of the tariff systems prevailing generally throughout the world and the relatively backward condition of Indian industries under a policy of free trade. With the exception of the United Kingdom all the great industrial nations of the world shelter their industries behind a protective wall, and claim to owe their prosperity to the tariff protection which they enjoy. The general movement in Europe towards free trade, which appeared to be setting in with the conclusion of the famous commercial treaty between England and France in 1860, lasted only for a few years, and was followed by a strong reaction, never perhaps stronger than in recent years, towards protection. In 1879 Germany definitely adopted a policy of protection, from which she has never departed, and under which she had made up to the outbreak of the war astonishing industrial progress. In 1881 France turned her back on the free trade tendencies which had never really met with popular approval. In 1899 Japan, freed



from the trammels of the treaty restrictions, utilised her autonomy to establish a protective tariff, which was considerably intensified in 1911. The United States, industrially one of the foremost countries in the world, has had ever since the time of the Civil War a very high protective tariff, and at the present moment appears to contemplate raising it still higher. The British Dominions too have without exception utilised the right of framing their tariff policies in their own interests to protect their industries by high duties.

#### Conditions in England

59. India can thus point to numerous precedents for the adoption of a policy of protection. Even in the case of England it may be noted that her industrial foundations, like those of all other countries, were laid under a system of high protection. The Lancashire cotton industry in its infancy was protected by an import duty which, according to the evidence of Professor Hamilton, stood for a number of years at about 65 per cent. *ad valorem*. The English textile manufactures were further protected by a legal prohibition of the use of various competing foreign cloths. It is true that the great industrial development took place as the result of the mechanical inventions which revolutionised industry at the close of the 18th century, and that the part which the tariff bore at this stage was insignificant. Nevertheless the fact remains that it was not until English industries had attained a marked pre-eminence that the tariff was felt to be a hindrance to industrial development. Moreover the movement towards free trade was largely directed, in its earlier stages at any rate, by antagonism to the protection not of industrial, but of agricultural, interests.

60. The conditions in England for three quarters of a century have been unlike those in most countries, and particularly unlike those in India. England's economic life depends on the export of manufactured articles, the raw materials for which are largely imported. The maintenance of this vital export trade is obviously likely to be fostered by a policy based on free trade principles. In India on the contrary there is an abundant supply of raw materials and a very large home market supplied in great part by foreign manufactures, whilst the export of Indian manufactures, though offering possibilities of considerable development, is comparatively small. But even in the special conditions of England doubts have been frequently raised as to the wisdom of too rigid an adherence to the free trade doctrine, and since the war departures from it have actually been made, as illustrated by (a) the duty of 33 and one-third per cent. on motor cars (which has a protective effect), (b) the Safeguarding of Industries Act, and



(c) the recent removal of the excise duty on sugar to encourage the nascent sugar beet industry.

#### Public sentiment considered

61. We do not wish however to rest the case for protection in India on the sentiment of the Indian people or the example of other countries. We have considered most carefully the economic arguments, and we hope to show that the policy which we advocate will stand this crucial test. But at the same time we have set forth frankly what we conceive to be the main bases of Indian protectionist feeling, because, though we do not advocate the adoption of a tariff policy on other than the reasoned grounds which follow, we feel that it is important to realise that behind our reasoned advocacy is a strong public sentiment, and that while we shall treat a question of such moment to the future of India from the strictly economic point of view, it has also a political aspect which is at least worthy of notice.

#### The proposition of free trade

62. In considering the issue between free trade and protection it is necessary in the first place to examine the theoretical basis of the subject and to set forth what we understand to be the principles which are generally accepted by modern economic authorities on these difficult questions. The old free trade doctrine of the classical economists may be said to have rested on two propositions. It was assumed, firstly, that the capital and labour of a country, if left unfettered by any kind of Government regulation or restriction, would naturally be applied to those industries which would yield the greatest economic return. The capital and labour of a country both being limited in quantity, it is evidently of the utmost importance that they should be applied in the manner which will yield the best economic results, and it was held that the free interplay of economic forces would best determine the direction of the capital and labour of a country into those industries in which it has a comparative advantage over other countries. The second proposition was that the best economic results, both for the world as a whole and for individual countries, would be obtained by each country applying its capital and labour to those industries in which it had the greatest comparative advantage, and then exchanging the products of those industries for articles which it was not able to produce so cheaply itself. This is the principle of the international division of labour.

#### Their qualifications

63. Both these propositions have a *prima facie* validity which is not seriously contested. But they state only tendencies, and



tendencies may be over-ridden by special circumstances. We are thus led to an examination of the generally recognised qualifications of these propositions.

64. In the first place there may clearly be cases in which the free interplay of economic forces will not secure the best utilisation of the capital and labour resources of a country. In the competitive struggle an initial advantage may prove to be a permanent advantage. A fully developed industry in one country may be able under conditions of unfettered competition to hinder the development of the same industry in another country possessing equal or even greater natural advantages. In these circumstances the latter country may never, or only after long delay, succeed in applying its labour and capital to the best advantage of which they are capable, owing to the initial difficulties in making a start. These considerations were stated many years ago with admirable lucidity by John Stuart Mill, who wrote, "The superiority of one country over another in a branch of production often arises only from having begun it sooner. There may be no inherent advantage on one part or disadvantage on the other, but only a present superiority of acquired skill and experience. A country which has this skill and experience yet to acquire may in other respects be better adapted to the production than those which were earlier in the field."

65. The argument as stated above applies primarily to particular industries which are handicapped at the start by the competition of fully developed rivals, and could be used irrespective of the stage of industrial development attained by the country in which the new industry finds itself. But the argument has been applied with special force to industrially new countries in competition with those in which industries have long been established. The classical expression of this argument is to be found in the works of List, whose economic theories have exercised such a profound influence on the policy of the great protectionist countries. It is summed up by a modern English economist, Professor Pigou, who, in dealing with List's arguments, writes as follows :—

"The main element of productive power, whose development involves a long process, is a population trained in the general atmosphere of industrial pursuits. If a country is entirely agricultural and has no important class of artisans or factory workers, the skill required for starting any particular kind of mill will be very difficult to get. Masters, foremen and workmen must first be either trained up at home or procured from abroad, and the profitability of the business has not been sufficiently tested to give capitalists confidence in its success.\* For a long time, therefore, it is improbable that any work

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\* List's "National System of Political Economy."



which may be started will be able to compete on equal terms with established foreign rivals—and that in spite of the fact that the industry in question may be one for which the country has great natural advantages. On the other hand, in a country which is already largely industrial, the initial difficulty involved in starting a new industry is likely to be much slighter. For much less time is required to obtain from among a people already accustomed to many varieties of factory work, hands capable of carrying on a new variety of it. Further, in an industrial community, those other important elements of productive power, organised systems of transport and of credit, which, in an agricultural country, may need themselves to be built up before manufactures can be profitably established, are presumably already in existence."

66. The *prima facie* advantages too of the international division of labour are subject to certain qualifications. It may be that in some circumstances the greatest amount of wealth would be secured by a degree of specialisation which could not be regarded as conducing to the general interests of the country. In other words there are objects of state policy different from, and more important than, the mere acquisition of wealth. A country might produce the greatest amount of wealth by devoting itself wholly to agriculture, and yet such a one-sided development, in virtue of its effect on the national character and institutions, might not be in the wider interests of the country as a whole. Similarly, considerations of national defence may set legitimate bounds to the extension of the principle of international division of labour.

#### Circumstances in which protection is justifiable

67. So far we have indicated what we take to be the circumstances in which economic theory might justify departures from the principle of free exchange of commodities between nations. It is admitted that in all such cases restrictions on free exchange involve some immediate economic loss. We turn once more to the economists for their verdict as to the circumstances in which such loss may justifiably be incurred. In the passage already referred to John Stuart Mill says, "The only case in which, on mere principles of political economy, protecting duties can be defensible, is when they are imposed temporarily (especially in a young and rising nation) in hopes of naturalising a foreign industry, in itself perfectly suitable to the circumstances of the country. .... A protecting duty, continued for a reasonable time, will sometimes be the least inconvenient mode in which the nation can tax itself for the support of such an experiment." List expresses himself more emphatically, "The nation must sacrifice and give up a measure of material prosperity in order to gain culture, skill and powers of united production; it must sacrifice some present advantages in order to insure to itself future ones." There is one idea common to both writers—a



present loss for a future gain. The gain we have already indicated. We now turn to consider what constitutes the loss.

**The Burden of protection arising from increased prices**

68. The burden of protection arises from the increase in prices. It is obvious that an import duty tends to raise the price not only of the imported article, but also of the competing locally produced article. Cases are analysed by the economists in which for special reasons or for temporary periods the normal result does not follow, or follows only partially. But, broadly speaking, there is no dispute as to the tendency of import duties to raise the prices of the articles taxed. Further, when import duties are placed on a wide range of articles, there is a tendency for the general level of prices in the country to be raised; the rise is not confined to the particular articles taxed. For this phenomenon there are various causes. In the first place the import duties tend to check the volume of imports, with the result that a favourable balance of trade is created. This favourable balance is settled mainly by the import of the precious metals, and so far as these find their way into the currency, thereby increasing its amount, the general level of prices tends to rise. In India this argument must be applied with caution, for the precious metals when imported are largely used for other purposes, and comparatively small quantities are likely to go to swell the volume of the currency. A less theoretical argument is that the increased cost caused by import duties enters generally into the cost of production of all articles manufactured in the country and into the cost of transportation. Duties on cotton cloth or on sugar, for instance, may raise the expenditure of the employees of an industry; to meet such increased expenditure higher wages are required; higher wages mean higher cost of production, and this in turn means that the product requires to be sold at a higher price. Instances might easily be multiplied. It may, we think, be taken as the view accepted by economists that a general increase in import duties tends to produce a general rise in prices in a country, and not merely a rise in the price of imported articles and such locally produced articles as directly compete with them.

**Gradual diminution of the burden.**

69. It is not our intention to suggest that the burden on the consumer arising from protective duties is necessarily permanent. On the contrary, if the industries to be protected are selected with due discrimination, the burden should gradually diminish and eventually cease altogether. But the process of diminution is not likely to be rapid, or to commence immediately. So long as foreign imports continue to enter in appreciable quantities, the price of the



goods must in general be regulated by the price of the foreign imports, that is to say, the consumer will be paying the full foreign price *plus* the import duty. As the home industry develops in efficiency and reduces its cost of production, there will be at first no reduction in prices, but the decrease in the cost of production will merely go to swell the profits of the home industry. This will lead to the more rapid development of the home industry and will hasten the time when it is able to supply the home market almost in full. As foreign imports dwindle to small proportions, prices will become regulated more and more by internal competition, and the consumer will then begin to derive the benefit from the increased efficiency of the local industry, and may in the end obtain the goods as cheaply as if he were free to import them without a duty. If the industry is one for which the country possesses marked natural advantages, he may even obtain them more cheaply.

70. We have indicated both the present loss and the future gain which a policy of protection might in general be expected to bring. We now come to the practical problem, which is to determine whether the circumstances of India are such that a stimulation of her industrial development by means of protective duties will bring in the end a gain to the country as a whole greater than the immediate loss.

71. In Chapter IV we have stated our opinion that the industrial development of India has not been commensurate with the size of the country, its population and its natural resources. In considering how these conditions can best be remedied it is necessary to attempt to diagnose the causes from which they have arisen. The Industrial Commission mentioned various factors as having operated to retard industrial development, for instance, the natural conservatism of the people, the inefficiency of labour, the absence of industrial and technical education, the lack of business enterprise, the shyness of capital for new undertakings, and the want of proper organization for utilising such capital as is available.

#### Industrial aptitude in the past

72. Some of these factors might suggest the idea that Indians were lacking in certain qualities necessary for success in industrial pursuits, and that therefore one of the foundations for a profitable application of protection, namely a people fitted to make good use of it, was absent. We do not think that this idea is supported by past experience. If we take history as a guide to the future, we see that there have been times when the manufacturers of the country attained a high degree of excellence and were well-known beyond its borders. As the Industrial Commission explained, India was at one time famous "for the high artistic skill of her



craftsmen," and it was not until the industrial revolution of the 18th century that she began to fall behind in the industrial sphere and that in the words of the Industrial Commission "the erroneous idea that tropical countries, with their naturally fertile lands and trying climate, were suited to the production of raw materials rather than to manufactures" developed. The cotton manufactures of India which were exported in large quantities throughout Asia and Europe, the skill in shipbuilding which was at one time freely utilised by the East India Company, the working of iron which in the old days had been brought to a considerable pitch of excellence, the manufacture of steel sword blades commanding a great reputation in foreign countries, the exports of silk textiles and sugar, all prove that Indians exhibited a natural aptitude for industrial work, and that the present relative backwardness in this respect should not be regarded as indicating any obstacle to a wide development of industries in the future.

#### Differences in natural aptitude diminishing

73. Further, the unevenness of development to which the Industrial Commission drew attention appears to be due in part to a striking difference in natural aptitude for industries, which can be traced in different communities in India. For centuries the people of Western India have shown a marked instinct for commerce : and from commerce they have moved naturally to industries, so that at the present time they divide with the European community the industrial leadership of India. But the people of Bengal, Madras and Burma have in general neglected industrial pursuits, and if industries have established themselves within their borders, have left their development to others. It would take us beyond our province to attempt to trace these tendencies to their origin, whether it may be found in a fertile soil providing a livelihood in return for little labour, or in a social system which exalts the less material side of life, in economic conditions which produce a class of middlemen living parasitically on the profits of the land, or in historical traditions which attract the most enterprising classes to administration. Whatever the causes of this neglect in the past, we feel that in many parts of the country a change has come over the spirit of the people, and that what is lacking now is more often the opportunity than the will. We think, therefore, that so far as the comparatively slow development of industries in India has been due to lack of natural aptitude or interest, this factor will become progressively of less importance, and that a time has come when India is prepared to take advantage of any stimulus applied to her industries.



Industrial development requires to be stimulated by protective duties

74. The question which we have to determine is whether the industrial development at which we aim can be attained without the stimulus of protective duties, and if not, whether the advantage to the country arising from this industrial development will outweigh the burden which protective duties will impose. The Industrial Commission, which was debarred from considering questions of tariff policy, made a number of important recommendations for the development of Indian industries, involving the abandonment of a *laissez faire* policy. But we hold that these measures by themselves will not produce that marked impetus for which the time and conditions are now ripe. Education can be improved, banking facilities can be extended, technical assistance can be offered to industries, but what is mainly wanted is a policy that will inspire confidence and encourage enterprise, and we do not think that the recommendations of the Industrial Commission provide this. Professor Pigou at the close of the passage which we have already quoted draws the following weighty conclusion: "From these considerations it follows that the case for Protection with a view to building up productive power is strong in any agricultural country which seems to possess natural advantages for manufacturing. In such a country the immediate loss arising from the check to the exchange of native produce for foreign manufactures may well be outweighed by the gain from the greater rapidity with which the home manufacturing power is developed. The 'crutches to teach the new manufactures to walk' as Colbert called protective duties, may teach them this so much earlier than they would have learnt it, if left to themselves, that the cost of the crutches is more than repaid." The words might almost have been written with direct reference to the conditions of India, and the case for protection in India can hardly be stated better. India is an agricultural country which possesses undoubted natural advantages for manufacturing. She produces an abundance of raw materials, she has an ample potential supply of cheap labour and adequate sources of power; and the establishment of two great manufacturing industries shows that she is capable of turning these natural advantages to use. We have been told by many witnesses that the chief obstacle to a more rapid development of industries in India is a certain want of confidence among the owners of capital. The practical protection afforded by the war had a stimulating effect on many Indian industries. But this protection, and such incidental protection as is yielded by high revenue duties, lacks the assurance of permanence, and fails to give the sense of security which arises from the



deliberate adoption of a policy of protection. This point of view was perhaps expressed most clearly by Mr. Shakespear giving evidence on behalf of the Indian Sugar Producers' Association. He said, "My personal view is that it is the principle of the thing which we, as an industry, would like to see far more than an actual duty of 15, 20 or 25 per cent. If the principle of protecting the industry is accepted, that is what is going to be of value to us in developing the industry." Again Captain E. V. Sassoon, one of the leading Bombay industrialists, after stating that Indian capital was "shy of anything new in the way of industrial enterprise" said, "what is wanted is confidence, and a policy of protection would help to secure that at once."

75. We have now shown that India will derive very great advantages from industrial development, that the conditions for a rapid advance are suitable, and that without the stimulus of protective duties the advance will not be sufficiently rapid. All these considerations lead us to the conclusion that protection will bring a very material gain to the country.

#### **Necessity of deriving a high revenue tariff**

76. A further consideration pointing to the same conclusion will be found in the present tariff position in India. We have referred in Chapter II to the increasing proportion which customs revenue bears to the total Imperial revenue, and we have now to consider whether this tendency is likely to be permanent. We received a considerable amount of evidence regarding the respective merits of direct and indirect taxation. We do not propose to recapitulate the well-worn arguments of the economists on this subject, but we are bound to take note of the fact that the general sentiment of Indian witnesses was strongly opposed to direct taxation, and that the collection of income-tax in India presents peculiar difficulties. Direct taxes in India are confined practically to income-tax and land revenue. With the latter, which is a provincial receipt, we are not concerned. The income-tax rates have been raised largely since 1915-16, and the yield has risen from 3 to 20 crores of rupees. High taxes on income are undoubtedly a handicap to industrial development, and there are many who hold that the rates ruling at the present moment are distinctly too high for the interests of industries and the general prosperity of the country. The witnesses whom we examined on this point were almost unanimous in the opinion that direct taxation has reached its limit under present conditions, and in view of the general feeling in the country we do not think that any material increase in this form of taxation is feasible. If, therefore, any further



increase in taxation becomes necessary, it will have to take the form of indirect taxation. If, on the other hand, a decrease in taxation became possible, we think that it should take the form of a *puri pssu* reduction in direct and indirect taxation. In view of these conclusions we cannot anticipate for many years to come any appreciable reduction in the revenue which it is necessary to derive from the customs. This means that import duties must continue high, and that, whether intended or not, protection will be given.

77. But a high revenue tariff such as that now in force in India is open to great objection. A revenue tariff based on free trade principles is one that is imposed on goods that cannot be produced in the country ; or, if this condition cannot be observed, it must be kept at a very low rate on goods produced in the country, or countervailing excises must be imposed, so that no protection is afforded to local industries. Until the year 1916 the Indian tariff might be said to have fulfilled these conditions. But since 1916 the tariff has become less and less consistent with purely free trade principles. It gives protection, but it gives it in the least convenient and the least beneficial way. The protection is not calculated on the needs of the industry, nor does it carry any assurance of a permanent policy. It is casual and haphazard. Moreover, it may actually impede the industrial development by taxing raw materials and semi-manufactured articles. It appears to us therefore that the necessity for raising a large revenue from customs duties and the obvious inexpediency of ignoring the effect of those duties on the industries of the country must inevitably lead India to the adoption of a policy of protection, as they led Germany in 1879.

**The loss protection will involve.**

78. We turn now to the loss that must be set against the gain to India from protection to which we have referred in paragraph 75. The most important item is the burden of increased prices that protective duties will impose on the people. We have explained the nature of these burden in paragraph 68 above, and we proceed to consider whether it will be so great as to outweigh the advantages which we anticipate from the adoption of a protective policy.

79. As import duties have a tendency in some degree to extend their influence beyond the particular commodities on which they are imposed, it is necessary to treat with caution the argument that some article is not consumed by the poorer classes and that therefore a protective duty on it can do them no harm. A further limitation of this argument is to be found in the fact that there are frequently partial substitutes for imported articles, which are manufactured and consumed locally, and that any cause which



raises the price of the imported article raises the price also of the locally produced substitutes. An obvious instance of such a case is seen in cotton cloth. Experience, as well as theoretical reasoning, shows that the price of Indian manufactured cloth is influenced by the price of imported cloth, even when the two classes are not in direct competition. In estimating therefore the extent to which the poorer classes will be affected by protection, it is not safe merely to ask what proportion of their income is spent on imported goods. We have received various estimates on this point, and all agree that the actual quantity of imported goods purchased by the masses of India is small. But this is no final criterion of the degree to which protection will affect them, though there is no reason to suppose that, under the system we recommend, the indirect burden will be considerable.

Effect of Protection. —(1) On the Agricultural classes.

80. There are however two classes of the population whose interests as affected by protection it is particularly important to consider, the agricultural and middle classes. Agriculture is, and must remain, the foundation of the economic life of India, and this not merely because it furnishes the livelihood of three-quarters of the population. Indian industries cannot flourish without a prosperous Indian agriculture. Agriculture is largely the provider of the raw materials for industry, and the Indian agriculturist will offer the main market for the products of Indian industries. Any form of protection therefore which would seriously affect the interests of agriculture would go far to defeat its own object. We have already explained in what ways we think that industrial development may be of advantage to the agricultural community, in some cases through a sympathetic rise in wages, in others through the wages of industrial workers being made available for expenditure in the villages, in others through a reduction in the number dependent on the produce of the land. But while a policy of protection of industries may not injure the agricultural wage earner, who may be able to secure a rise in wages equal to, and in some cases greater than, the rise in the cost of living, there can be little doubt that the agricultural producer, the man who either works the land himself or employs hired labour, must suffer to some extent. Protection must mean to him a higher cost of production, arising partly from the higher cost of the implement that he uses, partly from the higher wages that he will have to pay and partly from the general rise in the cost of living. As a set off against this higher cost of production it is probable that in the neighbourhood of industrial centres the demand for agricultural produce will raise the price. But, in general, one of two results seems



likely to follow. Either the agricultural producer will not receive for his produce an increased price which will fully compensate him for the increased cost of production, in which case agricultural interests would suffer and there would be a tendency for marginal land to go out of cultivation ; or the price of agricultural produce will be raised generally to cover the increased cost of production with injurious effects on the mass of the population. Provided however protection is applied with discrimination, we do not think that the burden imposed, either on the agricultural producer or, through a rise in the prices of agricultural produce, on the consumer in general, need be sufficient to make us hesitate regarding the net advantages of the policy we recommend.

(II) on the middle classes

81. With regard to the middle classes, by which we mean mainly the professional, clerical and petty trading classes, there is no doubt that they will be more adversely affected than any others by a policy of protection. The middle classes have a certain standard of living which entails expenditure on imported goods. Their cost of living will undoubtedly rise. The possibilities of equivalent, or at any rate timely, expansion in their incomes, however, are limited. It is probable therefore that for some period they will feel the effects of protection more than any other class of the population. But in virtue of their education they, more than other classes, are in a position to estimate the value to the country as a whole of the developments which we believe our policy will produce, and so far as we have been able to judge from those witnesses who have given evidence before us, the middle classes are prepared to merge what might be regarded as their own immediate interests in the wider interests of the country.

82. In estimating the burden of protection we have to anticipate the arguments given in the next chapter, in which we show that any type of indiscriminate protection would entail a sacrifice out of proportion to the results. We explain in that chapter the limitations that we propose with a view to restricting the immediate loss as far as possible without reducing the gain that is to be anticipated from protection. If those limitations are observed, we consider that the burden will be one which it is reasonable to ask the country to bear in order to secure the great benefits anticipated.

83. Before coming to our final conclusion we must refer to certain disadvantages which are inherent in any system of protection, namely, the risk of encouraging inefficient methods of production, the danger of political corruption and the possibility of combinations of manufacturers. We have borne these points in mind in formulating our scheme of protection and in devising the



constitution of the Tariff Board. We explain in detail in Chapter VI to what extent we think these dangers will be mitigated by our proposals, and it is enough to say here that we do not consider them sufficiently serious to affect our main conclusion.

#### The balance of advantage

84. We have now set forth, as impartially as possible, the arguments for and against the adoption of a policy of protection in India. In Chapter IV we have shown the great benefits that will accrue to India from industrial development, and in the present chapter we have explained the necessity of the stimulus of protection to secure rapid progress in this direction. We have also shown that the necessity of a high customs revenue is inevitably leading India towards protection. On the other side we have shown that the immediate loss to be apprehended from protection, and the dangers inherent in it, will be mitigated by the system of discrimination which we recommend and by the constant supervision of our proposed Tariff Board. We have carefully considered the weight of the arguments on both sides, and apart from the strong Indian sentiment in favour of protection, to which we have referred above, we are satisfied, on economic grounds, that the temporary loss involved will be more than made good by the ultimate gain, and that the balance of advantage is heavily on the side of the recommendation made in the opening paragraph of this chapter *viz.*, the adoption of a policy of protection to be applied with discrimination along the lines indicated in this report.

### Imperial Preference

#### (1) History and Meaning

214. The question of Imperial Preference in the British Empire first took practical shape in 1897, when Canada, partly in pursuance of a more liberal tariff policy, reduced her duties on British goods. Owing to the existence of certain commercial treaties the benefits intended for Great Britain had to be conferred temporarily on some other countries, but the hampering treaties were denounced in 1898, and from that time the preference, which was fixed at one-fourth of the duty, was confined to the United Kingdom and such British colonies as gave Canada favourable treatment. In 1900 the preference was raised to one-third.

215. The subject of Imperial Preference came before the Colonial Conference of 1902, and on this occasion the principle was for the first time authoritatively recognised as one of general application. The resolution passed by the Conference was as follows :—



"1. That this Conference recognises that the principle of preferential trade between the United Kingdom and His Majesty's Dominions beyond the seas would stimulate and facilitate mutual commercial intercourse, and would, by promoting the development of the resources and industries of the several parts, strengthen the Empire.

"2. That this Conference recognises that, in the present circumstances of the Colonies, it is not practicable to adopt a general system of free trade as between the mother country and the British Dominions beyond the seas.

"3. That with a view, however, to promoting the increase of trade within the Empire, it is desirable that those Colonies which have not already adopted such a policy should, as far as their circumstances permit, give substantial preferential treatment to the products and manufactures of the United Kingdom.

"4. That the Prime Minister of the Colonies respectfully urge on His Majesty's Government the expediency of granting in the United Kingdom preferential treatment to the products and manufactures of the Colonies either by exemption from or reduction of duties now or hereafter imposed.

"5. That the Prime Ministers present at the Conference undertake to submit to their respective Governments at the earliest opportunity the principle of the resolution, and to request them to take such measures as may be necessary to give effect to it."

#### The principles of Imperial preference

216. The points of chief importance which emerge from this resolution are :—

(1) That the stimulation of commercial intercourse between the different parts of the Empire was in the interests of the Empire ;

(2) that the policy of preference would develop the resources of the several parts of the Empire and thus strengthen the whole ;

(3) that there was no question of the Dominions abating their protectionist policy, and no idea of establishing free trade within the Empire ;

(4) that the preference given should be wholly voluntary, and should not go beyond what the circumstances of each unit might reasonably permit ;

(5) that the United Kingdom should, if possible, grant certain preferences in return.

#### Its extension

217. In pursuance of this resolution preferential duties were introduced by New Zealand and South Africa in 1903 and by Australia in 1907, but the United Kingdom decisively rejected the policy of taxation of food, through which alone any effective response could have been made to the preferences granted by the Dominions. At the Colonial Conference of 1907 the question was once more raised prominently. The representatives of the Dominions showed the importance they attached to the development of the system and to some response on the part of the United Kingdom, but the British Government explained without disguise that in their opinion the circumstances of the United Kingdom made this impossible. The resolutions of 1902 were reaffirmed with a reservation by the British Government that they could not assent that it was necessary or expedient to alter the fiscal system of the United Kingdom.



The Position of India in relation to Imperial Preference.

218. In the meantime the Government of India had been consulted in 1903 on the question of Imperial Preference from the standpoint of the interests of India. After reviewing the position of India, the nature of her trade and tariff, and her commercial relations with the Empire and other countries, their general conclusion was that from an economic standpoint India had something, but not perhaps very much, to offer to the Empire, that she had very little to gain in return, and that she had a great deal to lose or to risk.

219. Up to the time of the war therefore the position was that the self-governing Dominions all gave preferences at such rates as they considered advisable to certain products of the United Kingdom, and in some cases to the products of other parts of the Empire; that India and the majority of the Crown Colonies had not adopted the principle; and that the British Government had definitely stated that it did not see its way to grant preference in the United Kingdom. The preferences granted by the Dominions were intended primarily for the benefit of the United Kingdom, but New Zealand extended her concessions to the whole Empire, and Canada has voluntarily granted her preferences to New Zealand, India and most of the Crown Colonies. Canada has also entered into special agreements with the West Indies. Australia and South Africa adopted the principle of confining their preferences primarily to the United Kingdom and only extending them to other parts of the Empire as the result of negotiations. South Africa has negotiated agreements with Canada, New Zealand and Australia. Australia has made an agreement only with South Africa, but it is stated that negotiations for an agreement with New Zealand are at present in progress. In Canada, Australia and New Zealand the preferential duties are usually about two-thirds of the full duty, though the fraction varies considerably both above and below this figure. The South African preference is a small one and is usually only a rebate of 3 per cent. *ad valorem*. In a number of cases when the general duty is only 3 per cent British goods are admitted free, and in the other Dominions in the same way British goods are sometimes admitted free, when the general duty is at a low rate. It must be remembered that in no case do the Dominions allow these preferences to interfere with the degree of protection which they consider necessary for their own industries.

The effects of the War.

220. The war gave a great impetus to the policy of consolidating the Empire, and in the light of the ideas engendered by the war the



question of Imperial Preference began to be re-examined. The Economic Conference at Paris in 1916 passed a resolution recommending the Allies to take the necessary steps without delay to render themselves independent of the enemy countries as regards the raw materials and manufactured articles essential to the development of their economic activities. This resolution raised the whole question of the organization of the Empire as an independent economic unit, and it was proposed to convene a conference of the Dominions and India to consider the commercial policy to be adopted after the war. Ideas at this time were perhaps coloured unduly by war conditions, and more stress seems to have been laid on the desirability of making the Empire self-contained in the matter of food supplies, raw materials and manufactures, and evolving a unified policy, than on the mere development of the interchange of products between the various parts.

**Further preferences. The United Kingdom adopts the policy**

221. The projected conference was never held in the form which was apparently contemplated. But the Imperial War Conference, 1917, passed the following resolution :—

“ The time has arrived when all possible encouragement should be given to the development of Imperial resources, and especially to making the Empire independent of other countries in respect of food supplies, raw materials, and essential industries. With these objects in view this Conference expresses itself in favour of :—

(1) The principle that each part of the Empire, having due regard to the interests of our Allies, shall give specially favourable treatment and facilities to the produce and manufactures of other parts of the Empire.

(2) Arrangements by which intending emigrants from the United Kingdom may be induced to settle in countries under the British flag.”

222. The movement towards a strengthening of the links of Empire found expression in independent action taken by many of the members. The most important event was the adoption by the United Kingdom in 1919 of the policy of preference, thus reversing the attitude taken in 1907. It had always been recognised that preferences given by the United Kingdom, unless accompanied by considerable departures in fiscal policy would not have any great practical effect. But in 1919 the United Kingdom without altering its general tariff policy granted to the whole Empire preferential rates, which were usually five-sixths or two-thirds of the full rate, on nearly all articles on which import duties were levied. At the same time many of the Crown Colonies took up the question of Imperial Preference, some of them have already introduced preferential rates, while it is believed that others have them under consideration. Australia and New Zealand have also within the last two years revised and increased their preferences.



223. It was not possible for India to ignore a general movement of this nature, and from 1917 onwards the question of Imperial Preference has in one form or another been before the Government of India. We have already explained how the resolution moved by Sir George Barnes in February 1920 in the Imperial Legislative Council for the appointment of a committee to report "whether or not it is advisable to apply to the Indian Customs Tariff a system of preference in favour of goods of Empire origin," led directly to the enquiry which we have been conducting.

## (ii) Economic Principles

224. As a preliminary to considering the adoption of a policy of Imperial Preference by India it is important to obtain a clear idea of the economic effects of preferential duties. Preference means that goods from one or more favoured countries pay duty at a rate lower than the general rate. Whether the preferential rate is a real reduction in duty or whether the general rate has been arrived at by making an addition to what is considered the minimum duty, which thus becomes the preferential rate, is, in considering the economic effect, immaterial. For our present purpose the preference may be treated as a reduction of duty in comparison with the rate imposed on foreign countries in general. The effect of such a reduction is clearly expressed in the following passage from the Report on Reciprocity and Commercial Treaties prepared by the United States Tariff Commission in 1918 :—

"As regards economic effect, reductions of duty under the concessional method have different consequences under varying conditions of supply as regards the article affected. Where a reduction of duty affects only a fraction of the imports of a particular article, and the major portion of the imports of that article is still left subject to the main, or non-concessional duty, the result is not only a loss of revenue to the Treasury, because of the lower rates of duty, but absence of any gain to consumers. The reduction of duty redounds only to the advantage of the foreign producer. This situation was exemplified by our experience with Hawaii, as detailed in this report, under the reciprocity treaty of 1875. That experience was not indeed part of a general concessional policy; but it, nevertheless, supplies an example of the working of a limited concession. If, on the other hand, virtually the entire imported supply of a given article is admitted at the lowered concessional rates, the effect is that of a general reduction of duty. Such a result ensued, at least in the more recent years of the operation of the reciprocity treaty with Cuba, as a consequence of our concession of a reduced duty upon Cuban sugar. As shown in the discussion of Cuban relations, this concession resulted in a gain to the Cuban sugar producer during the first years after the reciprocity arrangement went into effect, but had come to redound, during the years immediately preceding the European war, mainly to the advantage of the domestic consumer."

Effect depends on the relative importance of the sources of supply

225. We take it that this passage expresses accurately the



economic effect of a preferential duty. So long as a substantial quantity of the commodity continues to be imported from countries to which the preferential rate is not extended, the price of the commodity will be regulated by the higher duty. The consumer will thus pay the higher price on the whole supply, and the differences between the two rates of duty will be equivalent to a bounty to the manufacturer in the country receiving the preference. When on the other hand the country receiving the preference supplies practically the whole market, then the price to the consumer will be regulated by the lower rate. The bounty to the foreign manufacturer will cease, and the consumer will get the benefit of the lower rate. The question therefore whether the consumer is or is not penalised for the benefit of the foreign manufacturer depends on the relative importance of the sources of supply. If the portion of the market supplied by the favoured country is large, the burden on the consumer will be small, or possibly there will be no burden at all. So long, however, as the supply from the favoured country is small relative to the total supply, the consumer will suffer.

226. It may be thought that, unless the consumer suffers, the foreign manufacturer cannot benefit; that is to say, unless the foreign manufacturer is able to annex for himself some of the difference between the two rates of duty, he will not be receiving any benefit. This however is not a fair statement of the case. To take an illustration, we may assume that the favoured country is, before the grant of preference, supplying three-quarters of the market. After the preference is given, the price to the consumer for a time may be regulated by the higher rate of duty, and the manufacturers of the favoured country will receive, as has been already explained, a bonus of the difference between the two rates. The effect of this bonus is to stimulate the trade of the manufacturers of the country receiving the preference, and in a short time they may secure for themselves the whole market, driving out altogether the non-preferred manufacturers. The price to the consumer will then be regulated by the lower or preferential rate of duty, and the favoured manufacturers will find that the price falls to the true competitive level. But they have not thereby lost the whole benefit of the preference. Their gain is represented by the additional quarter of the market which they have secured for themselves at the expense of their non-preferred rivals. Thus they benefit even when the consumer has ceased to suffer.

227. It will be apparent from the considerations stated above that the arguments in favour of preferential duties are very similar



to those in favour of protective duties. In both cases the consumer is invited to suffer a temporary loss. In both cases he is given the hope that when the policy succeeds the loss will terminate. In the one case, however, the advantage for which he is invited to suffer his temporary loss will accrue to the industries of his own country ; whereas in the case of preference it will accrue to the industries of the country to which preference is given.

228. The analogy may be traced further. It is an essential part of the scheme of protection which we have advocated that protection should be given only to such industries as may be regarded as possessing a comparative advantage, and which are therefore likely with the aid of the protection given to be able eventually to supply the needs of the country as cheaply as foreign industries. The same principle should be applied in the grant of preference. If a preference is given to an inefficient industry or to an industry which with the preference is not likely to be able to supply eventually the whole market, the preference will constitute a permanent burden on the consumer, and will therefore from an economic point of view be unjustifiable.

#### The revenue aspect

229. The economic effect of a preferential duty has two aspects. Hitherto we have been considering the duty merely as it affects the consumer. But the duty may also affect the Government revenue. If the preferential rate is a true reduction from the general rate, it is clear that the country granting the preferential rate is sacrificing revenue. As we have indicated above, however, preferential rates are frequently not real reductions. Preference often takes the form of raising the duties against the non-favoured countries instead of lowering them for the benefit of the favoured countries. In such cases it may be argued that the State sacrifices no revenue. Indeed it may receive in view of the higher rates imposed on the non-favoured countries a slightly higher revenue. But for the true economic effect we have to look below the surface. The best tax from the economic point of view is that which brings to the public exchequer all the money extracted from the pocket of the tax payer. An import duty operates to raise the price of the whole of the commodity sold in the country, whether imported or produced locally. Consequently the best economic import duty is one imposed on a commodity none of which is produced within the country. In this case the whole extra price paid by the consumer is levied in the form of import duty and reaches the public exchequer. The smaller the amount imported as compared with the amount produced locally, the smaller is the revenue in proportion to the tax on the consumer. It is to meet these conditions that those



countries which regulate their tariffs purely for purposes of revenue impose excise duties on the home production of goods on which import duties are imposed. Exactly the same considerations arise in the case of preferential duties. We may for purposes of this argument concentrate our attention solely on the goods imported, and may ignore the home production, if any. It is clear that if a single rate of duty is imposed, the State will secure as revenue the whole amount paid by the consumer. But if two rates are imposed and the consumer pays a price based on the higher of these two rates, the State does not secure as revenue the full amount taken from the pocket of the consumer. The tax therefore to this extent is not sound economically, and this unsound economic effect may be represented by saying that the Government loses revenue—not possibly actual revenue, but relative to the amount which it should receive in virtue of the burden which it is placing on the consumer.

230. A preferential duty, when it takes the form of raising the rate against non-preferred countries, may sometimes receive the support of the home industry because it increases the protection which that industry enjoys. But this is by no means a sound argument for granting such preference. It must be assumed under our scheme that the industry is already enjoying the protection which it needs. If, then, this protection is increased by means of a preferential duty, the result merely is that the consumer is being penalised to an unreasonable and unnecessary extent, and that the industry is receiving a larger measure of protection than it requires.

231. There is one indirect effect of preferential treatment which is perhaps worth mention. The effect of preference will be to stimulate imports from the country which receives favourable treatment. If the preferences are important, this will tend to build up direct shipping connections between the two countries, and as a consequence will give the exporters of the country granting the preference some advantage in market of the country receiving the preference. In other words, if imports are attracted from a particular country, there will be a tendency for exports to be attracted to that country. Thus to some extent it may be the case that the grant of a preference may bring some indirect compensating advantage to the country which grants it, provided its exports are competing with the exports of other countries in the market of the country to which the preference is granted.

### (iii) The economic limitations of preference in India

232. We have explained in general what we conceive to be the normal economic effects of preferential duties, both on the producer in the country receiving the preference, and on the consumer in the



country giving it. We now have to consider the probable results of a policy of preference in India, in view of the special features of her economic position. This aspect of the question was examined with great care by the Government of Lord Curzon, and their conclusions were stated in their despatch to the Secretary of State, dated the 22nd October 1903. In its general features the analysis of the situation then made holds good. The Government of India in 1903 found that about three-fourths of the total imports into India came from the British Empire. Indian exports on the other hand went preponderately to foreign countries. The situation still is in broad outline the same, though such change as has taken place has been to the disadvantage of the British Empire. The figures given in Appendix D show that the imports from the British Empire, which were estimated at about 75 per cent in 1903, averaged in the five years immediately preceding the war only 69'8 per cent, and in 1921-22 stood at 66'6 per cent. The percentage of India's exports going to the British Empire has followed a similar course of gradual diminution. In 1903 approximately 47 per cent of Indian exports went to the British Empire, including exports to Hongkong and the Straits Settlements, which were, however, destined very largely for China and Japan. The corresponding figures for the years preceding the war show a percentage of 41'9, and in 1920-21 of 43, which in 1921-22 fell abruptly to 37'3. Turning to exports from India to the United Kingdom, these represented in 1903 about 25 per cent of the total exports, in the five years preceding the war the average percentage was the same, in 1920-21 it stood at 21'9 per cent, and in 1921-22 it had fallen to 19'7. Conditions have not completely readjusted themselves after the war, but the figures seem to indicate, for exports as for imports, some degree of relative decline of the importance of the British Empire in the trade of India. The present position is that India receives about two-thirds of her total imports from the British Empire, and sends to the British empire, after deducting exports to Hongkong and the Straits Settlements which are destined for China and Japan, something over one-third of her exports.

Indian exports not of a kind to benefit appreciably from preference

233. We have shown in Chapter III that between 70 and 80 per cent. of the imports into India come under the class of articles wholly or mainly manufactured. On the other hand the exports of manufactures from India amount to only some 30 per cent of the total exports, the remainder consisting to the extent of 40 to 50 per cent of raw materials, and the balance of articles classified under the head of "food, drink and tobacco." Broadly speaking, therefore, India may be said to import manufactures and to export



raw materials and foodstuffs. This fact is of great significance in considering the probable results of a system of preference. The economic advantage derived from a preference tends to be more important in the case of manufactured goods than in the case of raw materials. Manufactures nearly always meet with keen competition in foreign markets, and therefore a preference on manufactures is nearly always of value. The position in regard to raw materials is different. In the first place they are usually admitted free into foreign markets, so that the possibility of a preference does not arise; in the second place it is an obvious fact that to a large extent they find their markets ready made, whereas the market for manufactures has to be developed and carefully nursed. With a comparatively small degree of competition to meet, it is clear that raw materials stand very much less in need of preference than do manufactures, and that the gain to them by preference is likely to be correspondingly smaller. With regard to foodstuffs the general tendency in most countries is to admit them free, and the possibilities of preference are limited.

#### Indian exports receiving preference in the United Kingdom

234. These general considerations are corroborated by an examination of Indian exports and the possible advantage they could derive from a system of preference. Lord Curzon's Government in 1903 considered the possible commodities to which preference might be extended by the United Kingdom, and found that few, if any, were likely to receive any appreciable benefit. We are now able to deal with the matter on a more practical basis, for, as we have explained above, the United Kingdom granted to the whole Empire in 1919 such preferences as were found to be consistent with the tariff policy. The only preferences of interest to India are those on tea, tobacco and coffee. In each of these cases the preference took the form of a reduction of one-sixth of the duty. The preference was a genuine reduction from the general rate of duty, and was not created by maintaining the existing rate for British products and enhancing it for foreign products. The amount of the preference was reasonable. The United Kingdom early went as far as could be expected consistently with a regard for her own interests. We have to see what benefit within those limitations has been conferred on Indian producers.

#### Tea.

235. In the case of tea the value of the preference granted to India is discounted by the fact that her chief competitor, Ceylon, enjoys an equal preference. Between them these two countries provided 86 per cent. of the tea entered for home consumption in the United Kingdom in the year 1913, and in 1920 they provided 90 per cent. When such a large percentage of the total



supply is entitled to the preferential rate, it may be assumed in accordance with the general economic principles which we have stated above that the price to the British consumer will be regulated by the preferential, and not by the general, rate of duty. No direct bonus therefore is likely to accrue to the Empire producers of tea from the British preference. The advantage which they may be expected to derive consists in the increased demand which the reduction in price may cause, and in the possibility of securing for themselves the remaining 10 per cent. of the British market. But in this particular case it is not entirely clear that the capture of the remaining 10 per cent. of the British market will be of any great advantage to the Empire tea producers. When the question of introducing preferential rates in the United Kingdom tariff was under consideration in 1919, the Indian Tea Association expressed some doubt as to the value to them of the suggested preference. They thought that it would have the effect of driving Java and inferior China tea out of the English market altogether, that the result would be that these teas would compete keenly in American and other foreign markets with British tea, and that the British tea exporters might possibly lose those markets and would therefore gain nothing by the preference. These views, however, are not those now held by the Indian Tea Association. In 1919 the Association made a special request that India should be granted preference in the Canadian market where Java tea was obtaining a serious hold, a request which was granted by the Canadian Government, and it expressed itself to us as believing in the advantage of preference to the tea trade, and as anticipating good results if a preference were granted by Australia. We do not therefore endorse the views expressed before the grant of the preference on tea in the United Kingdom as to its possible inutility. But we do not think that the preference on Indian tea is only of indirect advantage to the Indian tea producers by way of a possible extension of their market, and that it does not operate to increase their profits per pound of tea sold.

#### Coffee.

236. The Indian coffee planters are probably in a better position to benefit by the British preference than the tea planters, and they have consistently supported the concession. The proportion which the Indian supply of coffee bears to the total supply in the United Kingdom is comparatively small, and it is possible therefore that the Indian coffee planters receive something in the nature of a direct bonus. The Indian coffee trade is however small compared to the tea trade, and it is not clear whether there is any large scope for increased production in India.

#### Tobacco.

237. In the case of tobacco, which however also occupies but a minor position among Indian exports, it would seem likely at first sight that the preference would be of substantial advantage to the trade. But, as was pointed out in 1903, the system of laying the duty in the United Kingdom creates a discrimination against Indian tobacco. The duty on tobacco in England is charged by weight and not by value. Consequently the cheaper article is taxed more severely in proportion to its value than the more expensive, and the cheap Indian tobacco pays a duty which is particularly heavy. Even with the preference Indian tobacco remains at a disadvantage in the English market. This is a case in which a higher degree of preference or a change in the system of assessing the duty might be expected to give a real stimulus to the Indian trade.

#### Actual and Possible Gain to India from Preference is Small

238. The above examination of the existing preferences granted to Indian products in the United Kingdom bears out our general



proposition that Indian exports on the whole are not of a nature capable of benefiting to any great extent by preferential rates, freely recognise that except perhaps in the case of tobacco, the British Government has done what it can within its existing tariff system. But only one of the major exports of India receives a preference, and even if the tariff policy of Great Britain were to be modified, as was proposed in 1904, with a view to extending the field of preference, we do not think that the gain to India would be great.

239. On the other hand it would no doubt be possible for India to confer substantial advantages on British products by the grant of preferences in her market. The nature of the British imports, which are nearly all manufactures, makes this clear. But we do not think that India could grant anything of great value without imposing a serious burden on herself, and it would not be reasonable for India to incur such a burden.

Indian fear that preference must diminish protection not justified.

240. Before dealing with what we take to be the real objection to the grant of any extensive system of preferences by India, we wish to mention two points in respect of which apprehension is generally expressed by Indian witnesses, but which do not seem to us to justify an adverse verdict from the economic point of view. In the first place many witnesses have expressed the fear that a policy of preference would be equivalent to weakening the policy of protection, that the grant of preference to British manufactures in the Indian market would mean that Indian industries would not receive the full protection which require for their development. We need hardly say that, if such were the probable consequences of a policy of preference, we should, as strongly and unreservedly as the witnesses to whom we have referred, pronounce our condemnation. But we have explained above that Imperial Preference involves no question of abatement of a protectionist policy, and implies no idea of free trade within the Empire. The Dominions, which have freely granted preferences to the United Kingdom, have all adopted a pronounced protectionist policy, and they have in every case taken care that the preferences granted by them to the United Kingdom in no way interfered with the protection which they considered their own industries required. We wish to make it perfectly clear that it is essential that, if any preference is granted by India, it should not be allowed in any way to diminish the full protection which it may be decided any Indian industry requires.

Apprehensions of loss through relation by foreign countries exaggerated.

241. The second apprehension of economic loss which we do not



consider to be justified is that foreign countries will take retaliatory measures against India, if India excludes them partially from her mistakes by a system of preference. This was an argument to which Lord Curzon's Government in 1903 attached great importance. They realised the strength of India's position as an exporter of raw materials which foreign countries were interested in obtaining at the cheapest rates. But they could not exclude the possibility that in the case of some countries and in the case of certain articles India might be open to attack. The position was re-examined by the Government of India in 1917, and they come to the conclusion that the dangers apprehended by Lord Curzon's Government on this account were not serious. They thought that the strength of India's position as a supplier of raw materials, many of which were monopolies or partial monopolies, had been under-estimated, and that the Indian export trade was not likely to be seriously prejudiced by any retaliatory action taken by foreign countries. The position was examined once more by the Committee of the Imperial Legislative Council which was appointed in 1920 to consider the subject of Imperial Preference. Their conclusion on this point is stated in the following words :—

"We first considered the question whether the application to the Indian Customs Tariff of a system of preference in favour of goods of Empire origin would be likely to involve any danger of retaliation by countries outside the Empire in respect of our export trade. So far as we are able to judge, we are unanimously of opinion that in view of the demand for our raw materials, there is no danger to be feared on this score, and that the apprehensions of Lord Curzon's Government in respect of this particular aspect of the question would in present circumstances be unreal."

242. The consideration which we have been able to give to the matter leads us to the same conclusions as were reached by the Government of India in 1917 and the Committee of the Imperial Legislative Council in 1920. While it is impossible to say that no country would take retaliatory measures against India in the event of the adoption of a policy of preference, we do not think that any country is likely to be able to embark on such action with any prospect of economic advantage to itself.

243. We have dealt with two aspects of this question in regard to which we believe that popular opinion is mistaken in anticipating economic loss to India from the adoption of a policy of preference. But we have shown, in analysing the effect of preferential rates, that they are likely in many instances to penalise the consumer in the country granting the preference, and it is in this respect that we anticipate that any considerable application of a policy of preference would cause distinct economic loss to India. The great mass of the



people in India, it must be remembered, are poor. We have throughout our enquiry borne this consideration in mind. Our general recommendations have been framed with a view to confining the sacrifice which must be demanded of the Indian consumer within the narrowest possible limits. It would not be consistent with our general view of the situation to ask the Indian consumer to bear an appreciable burden for the benefit of British manufacturers. Such burden as appears to us inevitable in the pursuit of a policy of more rapid industrial development the Indian consumer must be asked to bear. But he should not be called upon to bear an additional burden on top of this for the furtherance of interests which are not primarily Indian.

244. In this connection a suggestion has been made that preference should never be given in the case of an industry which is protected in India. This suggestion is not dictated by any fear that the preference might weaken the protection granted to the Indian industry, but by the consideration that the protection of the Indian industry already imposes a burden on the Indian consumer, and that, therefore, it is not desirable that a further burden should be imposed on him by a preferential rate, which would undoubtedly take the form of raising the general rate above the level which is required for purposes of protection. We do not think that it would be reasonable to lay down any absolute rule to this effect, but we consider that in selecting articles for preference the extent of the burden already imposed on the consumer in respect of those particular articles should not be ignored.

Conditions in which the grant of preference might be justifiable.

245. In our view it is clear that if preference is to be given it must be confined to comparatively few commodities and cannot take the form of a general preferential tariff. The commodities selected must be as far as possible those in which British manufacturers already hold an important part of the market, and in which the grant of preference is likely to develop rapidly the portion of the market which they will command, so that the burden on the consumer, if any, will be removed at an early date. We have to recognise however that there may be few industries which fulfil the requirements we have laid down. A British industry which is thoroughly efficient and already commands a large part of the Indian market is not perhaps likely to stand in need of the impetus that preference would give. The industries which would be likely to place their faith in preference are precisely those which are less efficient, and the grant of preference to them might impose a permanent burden on the Indian consumer. Nevertheless we recognise that there may be cases, particularly arising out of special and



temporary conditions, in which India might be in a position to give assistance to British industries without appreciable economic loss to herself.

#### Nature of foreign competition in the Indian market.

246. Looking broadly at the competition of foreign countries in the Indian market, we see that out of 34 per cent. of imports derived from countries outside the British Empire about 18 per cent. in 1920-21 and 13 per cent. in 1921-22 came from the United States and Japan. After these two comes Java, the imports from which, however, consist of sugar, and therefore do not compete with imports from the United Kingdom. The most serious general competitors of British manufacturers therefore at the present moment are America and Japan. German competition in the matter of dyes is an important factor; and both Germany and Belgium are competitors of whom account must be taken in the imports of iron and steel. It must also be remembered that before the war German imports into India exceeded those of any other foreign country, and that there are signs that Germany is gradually working up this trade again. Japanese competition is mainly confined to cotton yarn and piece-goods. The United States sends large quantities of iron and steel, machinery, hardware and cutlery, instruments, apparatus and appliances, motor cars and tobacco, which may be considered in varying degrees to be in competition with British imports. These are the main heads under which we might expect British manufacturers to anticipate advantage to themselves from the grant of preferences in the Indian market.

247. We have received a certain number of applications from British manufacturing interests for the grant of preference. Representations have been made in respect of dyes, motor cars, electrical apparatus, tobacco, drugs and rubber tyres, while a general appeal was received from the British Empire Producers Organisation impressing upon us the importance of the adoption of the principle of Imperial Preference. We are not in a position to make any definite recommendations in regard to the merits of these various applications. But we think it desirable to point out certain aspects of some of them which have come under our consideration.

#### Dyes

248. The application which is probably of the most importance and which has been most earnestly pressed on our attention is that on behalf of British dyes. It was pointed out that the manufacture of dyes has been recognised in the United Kingdom as an industry of imperial importance, and that in consequence it has received a very special measure of protection in the market of the mother country. The considerations, it is urged, which have led the United Kingdom to give special treatment to the dye industry should lead other parts of the Empire



to do what they can to assist the development of British dyes. It is not only that in time of war the Empire should not be exposed to the risk of finding its supplies of dyestuffs entirely cut off. The dye industry has a much closer and more direct relation to the interests, and even the safety, of the Empire in the event of war. It is recognised that an efficient dyestuff industry is of the utmost importance to the national security, as in its absence serious difficulty must be experienced in turning out rapidly the explosives and chemicals required for war. From this point of view therefore the establishment of a large scale dyestuff industry is of supreme importance to all parts of the Empire. It is admitted that under present conditions there is no possibility of starting such an industry in India. India, therefore, in time of war must be dependent on the dyestuff industry of the United Kingdom; and from the point of view of Indian interests it might be thought that some help could reasonably be extended by India to the British industry. The Indian market is of great importance, and the British industry is at present apprehensive that it may lose this market and thereby suffer a severe blow. The competition is mainly with Germany which before the war was unchallenged in the production of dyestuffs. It is urged that the German industry, which is a well-organised monopoly, would be prepared to sell even at a loss in order to drive the British industry out of the Indian market, and that in any case the present depreciation of the mark gives the Germans an enormous temporary advantage in competition with the British product. For these reasons, and because the British industry is still to some extent in its infancy and has not yet reached the stage of full efficiency, the British companies ask for a preference in the Indian market.

249. We recognise the strength of the considerations put forward, but we realise also that there are important arguments on the other side. We understand that in many cases the British dyes are not considered equal in quality to the German dyes, and that therefore by preferring the former India would be imposing a handicap not only of price, but of quality, on her manufacturers. The competition of the Indian mills with Japan in piece-goods is at the present time so keen that India might well hesitate to handicap her own manufacturers by forcing them to use dearer and inferior dyes. So far as the Indian market is concerned this handicap might be neutralised by increasing the duty on imported piece-goods, but such a course would have the effect of penalising the Indian consumer. In any case, the handicap could not be removed in the case of competition with Japan in foreign markets.

250. We have stated as impartially as we can the arguments which have been used on both sides; and we feel that, in accordance with the principle we have adopted throughout this report, we cannot go any further and on the limited information available to us make any definite recommendation. We think that, if the principle of Imperial Preference is adopted, the question of a preference on dyes as affecting all interests might be examined by the Tariff Board.

#### Motor cars.

251. The case for a preference on British motor cars was put before us in writing by the Association of British Motor Manufacturers Limited, and orally by the Motor Trades Association in Calcutta. The case of motor cars is somewhat peculiar. The main source of supply is the United States which in 1920-21 sent motor cars to the value of £4,506,399, while the value of cars imported from the United Kingdom was only £2,133,987. The class of cars supplied by the United States and by the United Kingdom is different. The American cars make their appeal to the Indian market in virtue of their cheapness, and the enormous increase in the import of American cars recently shows that this is a factor which is of the utmost importance in India. We understand that efforts



are being made in the United Kingdom to produce cars which would compete with the cheap American cars, and a preference in the Indian market might give a decided stimulus to this movement.

#### Machinery

252. With regard to machinery we have stated that it is desirable that it should be admitted free. But we would not exclude an examination by the Tariff Board as to the effect of imposing a low import duty on foreign machinery while admitting British machinery free.

#### Cigarettes

253. The feasibility of a preference on cigarettes might also be examined. In 1920-21 the import trade was divided almost equally between the United Kingdom and the United States, the latter having a slight advantage. The figures of recent years show that the imports from the United States have been increasing very largely, and it is possible that a case for preference might be made out.

254. So far we have shown that in the nature of things any preferences granted to India are likely to be of considerably less value than the preferences which India might grant to the Empire; and that consequently in any balance of economic loss or gain India would under any general system of preference be a decided loser. We do not however wish to lay too much stress on this aspect of the matter. We realise that Imperial Preference as between the Dominions and the mother country has not hitherto been a matter of bargain. The Dominions from the first gave such preferences to the mother country as they felt were consistent with their own policy and were not injurious to themselves. Though they made it clear that they would welcome any response on the part of the United Kingdom, they did not make the grant of their preferences conditional on such a response. From 1897 to 1919 no response in fact was made. When in 1919 Great Britain decided to follow the example of the Dominions and introduced a preferential system, she gave freely such preferences as she felt could be granted consistently with the interests of her own people and the requirements of her own tariff policy. In the same way, if India is to adopt the principle of Imperial Preference, she must adopt it freely to the extent to which she feels she can do so without detriment to the paramount interests of her own people. She receives already certain preferences from the United Kingdom. She recognises with gratitude the spirit in which they are given. She will not wish to look too narrowly to the actual economic advantage of these preferences, and in turn she would expect that any preferences which she finds herself in a position to grant without serious detriment to her own interests should be received in the same spirit, and should be regarded as a voluntary gift and not as part of a bargain.

### (iv) Conclusions.

#### Causes of Indian Hostility to Preference

255. We have been impressed throughout our enquiry by the almost complete unanimity with which Indian witnesses opposed the principle of Imperial Preference; and it is important to explain the causes which in our view underlie this antagonism.

##### (i) Fear that it may Diminish Protection

256. We have already referred to the belief entertained by



many witnesses that preference would operate to weaken the protection granted to Indian industries. This apprehension can be met by laying down definitely the principle that under no circumstances should preference be allowed to diminish the protection which it may be decided that an Indian industry requires.

(ii) **Burden on Indian Consumer**

257. A second argument which has weighed with many witnesses is that preference is equivalent to the grant of a bounty to the British manufacturer at the expense of the Indian consumer, that India is poor while Britain is rich, and that it is not reasonable to expect the poor country to make a gift to the rich one. We have explained that in our opinion this view of the question is not unreasonable, and that any general system of preference would undoubtedly impose an appreciable burden on the Indian consumer, which we do not think it fair that he should be called upon to bear. This argument may be met by the assertion of a second principle, namely, that Imperial Preference should not involve any appreciable economic loss to India. In estimating the economic loss it would be reasonable to take into account any economic gain which India receives from the preferences granted by the United Kingdom ; and in case any should be tempted to look too narrowly at the balance of loss and gain, it is well to remember that India at present enjoys the protection of the British Navy in return for a merely nominal contribution.

(iii) **Fear that it will affect India's Fiscal Autonomy**

258. The main cause however of the general hostility displayed by Indian witnesses to the idea of Imperial Preference is, we think, political. It is based on a feeling of suspicion. There is a fear that if India accepted the principle of Imperial Preference she would find that she had parted with the newly won privilege of fiscal autonomy, that in the name of Imperial Preference the tariff policy of India would be directed not in her own interests but in the interests of other parts of the Empire, that if India signified her acceptance of the principle the details would be dictated to her regardless of her own interests and wishes. We think that these fears are based on a misunderstanding of the true position. Many regard Imperial Preference as meaning a unified tariff policy for the whole Empire, dictated, if not by the mother country, at least by binding resolutions passed at periodical Imperial Conferences. This is a complete misunderstanding of the real principles which underlie Imperial Preference. We have shown above that Imperial Preference implies no kind of interference in the tariff policy which the various Dominions have chosen for themselves, and no idea of a system of free trade



within the Empire or any uniform tariff policy. It is true that as a result of the Paris Economic Conference of 1916 already referred to, the question of the organisation of the Empire as an independent economic unit seemed for a time to be coming into practical consideration. But the ideas to which the crisis of the war gave rise did not long survive its termination, and the policy of Imperial Preference developed on its original lines. Each part of the Empire took such steps as it felt could reasonably be taken consistently with its own interests to promote inter-imperial trade and the manufactures of the mother country. This is the meaning which we attach to the policy of Imperial Preference, and all our recommendations must be read as referring to such a policy, and not to any idea of a joint tariff policy for the Empire imposed on the various component parts.

The assurance of the British Government regarding fiscal autonomy.

259. But the doubters think that, whatever may be the policy in regard to the Dominions, India stands in a different relation, and that the principle of Imperial Preference may be utilised against India to interfere with her fiscal autonomy. We would remind them that the principle of permitting India to decide her own fiscal policy has been stated in the most explicit terms. We quote once more the recommendation made by the Joint Select Committee on the Government of India Bill in their report on clause 33 :—

“ Whatever be the right fiscal policy for India, for the needs of her consumers as well as for her manufacturers, it is quite clear that she should have the same liberty to consider her interests as Great Britain, Australia, New Zealand, Canada and South Africa. In the opinion of the Committee, therefore, the Secretary of State should as far as possible avoid interference on this subject when the Government of India and its Legislature are in agreement, and they think that his intervention, when it does take place, should be limited to safeguarding the international obligations of the Empire or any fiscal arrangements within the Empire to which His Majesty's Government is a party.”

In his despatch of the 30th June 1921 the Secretary of State said that on behalf of His Majesty's Government he had accepted the principle recommended by the Joint Committee in this passage. It is true that some doubt may be aroused by the words “ any fiscal arrangements within the Empire to which His Majesty's Government is a party.” But we have explained that Imperial Preference, as hitherto practised and as understood by us, cannot involve any dictation by His Majesty's Government to any portion of the Empire. The convention which the Secretary of State has undertaken to establish gives, it is true, no assurance that a policy favoured by the Indian Legislature will necessarily be adopted. But it does, we think, give a practical assurance that no fiscal measures which the Indian Legislature does not approve will be adopted in India. Any fear therefore that particular applications of a policy of preference



can be made contrary to the wishes of the Legislature appears to us to be illusory. Nevertheless we would put the matter beyond all possible doubt by asserting as our third principle that no preference should be granted on any commodity without the explicit approval of the Indian Legislature.

#### The Imperial aspect

260. Hitherto we have discussed this question purely from the point of view of India's interests and India's feelings. But we are not blind, and we do not believe that Indian opinion will be blind, to the larger Imperial aspect. In discussing the advantages that Great Britain might derive from a preference in the Indian market we have hitherto treated that advantage solely from the narrow economic aspect, and it has presented itself as an advantage to be derived by particular industries or particular manufacturers. But even on the material and strictly economic side the interests involved are far wider than those of the prosperity of particular industries. We do not forget that the United Kingdom is the heart of the Empire, that on its strength depends the strength and cohesion of the empire, and that its strength is bound up with the prosperity of its export trade, which has enabled a small island to find the resources which bind together and uphold the great Commonwealth of Nations known as the British Empire. Unless the United Kingdom maintains its export trade the heart of the Empire will weaken, and this is a contingency to which no part of the Empire can be indifferent. Nor again do we forget that the communications of the Empire are guarded by the British Navy, and that the burden of maintaining that essential service falls almost entirely on the people of the United Kingdom.

#### The sentiment of Empire

261. While however we do not ignore the material side of the policy of Imperial Preference, we believe that the sentiment with which it is associated is even more important. Imperial Preference is regarded throughout the Empire as a means of strengthening the ties which bind together its scattered units. Adhesion to the policy of Imperial Preference is thus coming to be regarded as a test of loyalty to the Empire, as a proof that the various parts of the Empire look beyond their own immediate interests and recognise their position as parts of a greater whole. From this point of view we firmly believed that India should not turn her back on the principles which have been adopted in the greater part of the Empire and are rapidly being extended to the remainder. We would not have India standing in a position of moral isolation within the Empire. The view has been expressed that in consequence of India's special



economic situation, which we have explained in detail above, and her consequent inability to grant preferences, which are likely to be of serious economic value, such a gift as she might make would be regarded as valueless. We are convinced that such a view is wholly mistaken, and that on the contrary a free gift from India, however small, would be welcomed by the United Kingdom as a gesture of friendship and as a proof that India realised her position as a member of the Empire.

**Decision must rest with the Legislature.**

262. We recognise that the question of Imperial Preference is one which can only be determined in accordance with Indian opinion; and that the Indian view can be best ascertained by reference to the Council of State and the Legislative Assembly, without whose free consent no such policy can be adopted. We feel confident that the Indian Legislature will consider the obligations of India in this matter as a component part of the Empire. We have endeavoured to indicate certain principles which should govern the application of the policy, if adopted. We repeat them once more. In the first place, no preference should be granted on any article without the approval of the Indian Legislature. Secondly, no preference given should in any way diminish the protection required by Indian industries. Thirdly the preference should not involve any appreciable economic loss to India after taking into account the economic gain which India derives from the preference granted her by the United Kingdom.

**Suggested enquiry by Tariff Board.**

263. It is evident that the Legislature can hardly be asked to pronounce an opinion on the policy until it has some idea of the extent to which its application is feasible. We must therefore recommend that, as a preliminary to any consideration of the desirability of India adopting the policy of Imperial Preference, an examination should be made by the Tariff Board to determine whether there are any commodities on which preference might be given in accordance with the principles which we have laid down, to the benefit of the Empire and without detriment to Indian interests.

**Policy to be adopted towards the Dominions and Colonies.**

264. Hitherto in discussing the question of Imperial Preference we have confined our consideration to preferences granted to the mother country. With regard to other parts of the Empire we would recommend a different policy. We suggest that to the United Kingdom should be offered such preferences as India may find she is able to offer without appreciable injury to herself. With regard



to other parts of the Empire we recommend a policy of reciprocity such as is already adopted by more than one Dominion for inter-dominion trade relations ; that is to say, preference should be granted only as the result of agreements which might prove to the mutual advantage of both parties. In this connection India would doubtless not be unmindful of the fact that she already enjoys the benefit of certain concessions granted by Canada and New Zealand. The agreements which we contemplate would be purely voluntary ; there would be no kind of obligation on India to enter into them unless her own interests appeared to demand it ; and it is evident that political considerations could not be excluded in determining whether it was desirable for India to enter into an economic agreement or not.

#### The question—a practical one

265. We think it is necessary that there should be laid down for India some policy of the nature outlined above in regard to trade relations with other parts of the Empire. We have already mentioned that India receives preferences from Canada and New Zealand. We understand that proposals for reciprocity were received in 1919 from one of the Dominions. We have recently been informed by the Canadian Government Trade Commissioner to India that a preference on motor cars granted to Canada would stimulate the present tendency for the well known makes of American cars destined for the Indian market to be made in Canada, and would be regarded as a graceful reciprocal act of the part of India. It seems probable that this benefit could be conferred on Canada without any appreciable loss to India. We have also received strong representations from the Govt. of Mauritius and the Mauritius Chambers of Commerce and Agriculture requesting that preference may be given to Mauritius sugar in the Indian market. We realise that, judged by ordinary economic principles, the case for a preference on Mauritius sugar is not strong. The proportion of Mauritius sugar to the total imports of sugar into India is small, and there appears to be little probability that Mauritius will ever be able to supply the whole Indian market. Nor does it seem that Mauritius, though willing to grant India reciprocal benefits, would be able to offer anything which would be of material advantage. At the same time it has been urged that the majority of the population of Mauritius is Indian, that Mauritius sugar is grown entirely by Indian labour and that a large proportion of it is owned by Indian proprietors. A case like this is, we consider, suitable for examination by the Tariff Board ; and the Legislature should then decide after balancing the advantage and disadvantages whether it would be to the interests of India to enter into a reciprocal agreement with Mauritius.



# The Minute of Dissent

## of the President and the Indian Members.

The reasons which have moved us to write a dissenting minute may be stated in a few words :

(A) The main recommendation has been hedged in by conditions and provisos which are calculated to impair its utility.

(B) In places, the language employed is half-hearted and apologetic.

(C) We are unable to agree with the views of our colleagues on Excise, Foreign Capital, Imperial Preference and the continuation of the Tariff Board.

2. Our first objection is to the statement in the Report that " we recommend a policy of protection to be applied with discrimination along the lines of the Report." To formulate a policy in these words is open to objection because

(i) In the first place, it mixes up policy with procedure.

(ii) In the second place, by emphasising the method of carrying out the policy the vital issue of the problem is obscured.

(iii) In the third place, it ignores the fact that every country applies PROTECTION with discrimination suited to its own conditions.

(iv) Fourthly, in our opinion, the outlook of our colleagues is different from ours. We do not, therefore, feel justified in subscribing to the view that Protection should be applied with discrimination " along the lines of the Report."

In our opinion, there should be an unqualified pronouncement that **the fiscal policy best suited for India is Protection.**

3. The manifold advantages which a policy of intense industrialisation will secure to India are undisputed and our unanimous conclusion is embodied in paragraph 54 which may be quoted here :

" We have considered generally the advantages and the possible disadvantages which would attach to a considerable development of Indian industries. We have no hesitation in holding that such a development would be very much to the advantage of the country as a whole, creating new sources of wealth, encouraging the accumulation of capital, enlarging the public revenues, providing more profitable employment for labour, reducing the excessive dependence of the country on the unstable profits of agriculture, and finally stimulating the national life and developing the national character."

4. We would, however, place before the country the goal to be aimed at, namely, that India should attain a position of one of the foremost industrial nations in the world, that instead of being a large importer of manufactured goods and exporter mainly of raw materials, she should so develop her industries as to enable her within a reasonable period of time, in addition to supplying her own needs, to export her surplus manufactured goods. With



the natural advantages which India possess it is by no means difficult to reach this goal at an early date. India has an abundant supply of raw materials, a plentiful supply of labour, adequate capital and a large home market. All the requisites for industrial growth and development are thus present much more so than in many countries which have, without such advantages, attained a commanding position in the industrial world. There appears to be no reason why India should not reach a similar, if not a higher, position. This goal can only be reached by a whole-hearted co-operation of the State and of the people. As pointed out in paragraph 58 of the Report, the tariff systems prevailing generally throughout the world are based on the principle of protection. The State and the people co-operate and the result is great economic prosperity. Until recently, the Government of India were unable to frame a tariff policy which would have been in the best interests of India. That position has now changed. In the first chapter of the Report it has been pointed out how India has now attained fiscal autonomy. The Government of India is, therefore, free to adopt, in co-operation with the Indian Legislature, such measures as may appear to them necessary for promoting the industrial development of India and the consequent economic prosperity of this country. The appointment of this Commission is the result of such freedom conceded to the Government of India under the Reform Scheme.

5. We are unanimous in recommending that a policy of protection should be adopted. Our disagreement arises from the fact that the policy of protection recommended by our colleagues is qualified by the words "to be applied with discrimination along the lines of the Report." We do not know of any other country in the world, including the British Dominions, which have so qualified the policy of protection. While it is perfectly relevant for the Commission to indicate the lines on which protection may be worked in the initial stages, the recommendation of the policy should be clear and unequivocal. While our colleagues recommend "a policy of protection to be applied with discrimination along the lines of the Report," our recommendation is that a "policy of protection" should be adopted in the best interests of India. The policy has not only the unanimous support of the people of India, but is on the same lines as it prevails in all other protectionist countries of the world.

6. While we agree that the policy of protection should be applied with discrimination, we do not think that any qualifications or limitations should be made a condition precedent to its adoption. We recognise that in the efforts to attain a prominent position in the industrial world, India will have to pay a price. The economic well-being of India which we aim at in the tariff policy which we



recommend cannot be obtained without making a sacrifice. It is for this reason that we agree that the policy should be applied with discrimination. The discrimination with which we agree is intended to minimise such sacrifice as far as possible consistently with reaching the goal which we are putting before the country. We do not subscribe to the condition that such discrimination should be "along the lines of the Report." The conditions laid down in Chapter VII appear to us to be stringent, and will entail considerable delay in giving effect to the policy which we have unanimously recommended and will not produce adequate results. We share the concern shown in the Report for the interests of the consumers, and we agree that the policy should be applied in such a manner as to reduce the burden on the consumer to the minimum necessary for the purpose of carrying out the object in view. In the present economic condition of India, limitations in the interest of the consumers are necessary, but we anticipate that if immediate effect is given to the policy we recommend, India will begin to grow economically prosperous within a reasonable period of time. It is, therefore, necessary to make it clear that while the policy of protection should endure till the goal is reached, discrimination must vary according to the circumstances for the time being and should not be applied rigidly along the lines indicated in the Report. We may point out here that while we want India to rise to a commanding position in the matter of her industrial development under the policy of protection, our colleagues anticipate as a result of the qualified policy which they recommend that "India for many years to come is likely to concentrate on the simpler forms of manufactured goods" (paragraph 310). A policy which is likely only to lead to this result for many years to come is not and cannot be acceptable to the people of India. In all protectionist countries, the Government and the Legislature as representing the people regulate the application of the policy of protection in a manner most suitable to local conditions and circumstances, and there appears to us no reason why the discretion of the Government of India and the Indian Legislature should be fettered in any way. The records of the Provincial and Central Legislatures conclusively show that non-official members have vied with one another in pressing on the attention of Government the interests of the masses. We can, therefore, confidently leave the interests of the consumers in the hands of the non-official members of the Indian Legislature who are representative of large and varied interests. We should, therefore, recommend that the application of the policy of protection should be regulated from time to time by such discrimination as may be considered necessary by the Government of India and the Indian Legislature.



7. While recognising the necessity of caution in the application of the principle of protection in the interests of the masses we do not think it would be right to hedge the policy in such a manner as to lead to inadequate results. We may, therefore, emphasise the fact that we desire immediate effect to be given to the policy recommended by us in order to achieve the object in view as early as possible. India's dependence upon agriculture has found her in serious economic difficulties. Through the operation of world causes, the cost of living has enormously increased during recent times and there is a great amount of misery prevailing in the land. The revenue needs of the country have enormously increased and taxation has been raised to an unbearable level. It is, therefore, essentially necessary that immediate steps should be taken to adopt an intense policy of industrialisation to ensure the creation of new sources of wealth, encouragement for the accumulation of new capital, enlargement of public revenues and providing more profitable employment for labour.

8. We regret that our colleagues should have thought it necessary to justify the fiscal policy hitherto pursued; there is considerable difference of opinion as to its wisdom or suitability. We are not, therefore, prepared to accept that portion of the Report dealing with the subject. We would, however, point out that all the necessary requisites for industrialisation have existed in India for a long time and if a policy of protection had been adopted, say at least a generation ago, if the same freedom to regulate her fiscal policy had been conceded to India as was conceded to the Self-Governing Dominions, India would have made by this time great progress in the direction of industrialisation and would not have been found in the state of economic backwardness in which we now find her.

9. The Industrial Commission has placed on record the policy pursued in India in the following words :

"The commercial instincts of the East India Company had from its earliest days in this country led it to make various attempts to improve those Indian industries from which its export trade was largely drawn, as for example, by organising and financing the manufacture of cotton and silk piece-goods and silk yarn, although this policy met with opposition from vested interests in England, which were at one time sufficiently powerful to insist that it should be suspended and that the Company should instead concentrate on the export from India of the raw material necessary for manufactures in England. The effect of this traditional policy continued for some time after the Company had ceased to be a trading body and even after it had been replaced by the direct rule of the Crown, and doubtless moulded such subsequent efforts as were made in the same direction by Government. But as laissez-faire views gradually gained increasing acceptance both in England and in India, these spasmodic efforts became less frequent and the first effort at a general policy of industrial development took only two forms—a very imperfect provision of technical and



industrial education, and the collection and dissemination of commercial and industrial information."

10. As admitted in the Report, in view of her past achievements India's capacity to be an industrial country cannot be doubted. The Industrial Commission found that "the industrial system is unevenly and in most cases inadequately developed and the capitalists of the country with a few notable exceptions have till now left to other countries the work of and the profit from manufacturing her valuable raw materials or have allowed them to remain unutilized." If the Industrial Commission had not been debarred from considering the question of Indian fiscal policy, we venture to think that they would have come to the same conclusion as is held by the people of India that this result was to the policy of free trade imposed upon India. If a policy due to

"vested interests in England which were at one time sufficiently powerful to insist that.....the (East India) Company should concentrate on the export of raw materials necessary for manufactures in England" (Industrial Commission Report).

had not been adopted, the Indian artisans, whose skill was recognised throughout the world, could have easily adapted themselves to conditions produced by the advent of machinery, and the economic history of India would have been differently written. We believe that the industrial backwardness of India is in no way due to any inherent defects amongst the people of India but that it was artificially created by a continuous process of stifling, by means of a forced tariff policy, the inborn industrial genius of the people. In paragraph 57, doubts have been cast on the view of the Indian people that India was a country of great wealth which attracted foreign invasions and drew to its shores adventurous spirits from European countries. We would fain have left the past alone as no useful purpose can be served by raking up historical facts which can have no direct bearing on the tariff policy which is best suited to the conditions of India. We are, however, constrained to refer to the position in view of the remarks which our colleagues have considered it necessary to make for arriving at a conclusion on the subject. The works of eminent writers such as Meadows Taylor, Lecky, Romesh Chandra Dutt, Wilson and Professors Hamilton and Jadunath Sircar show how great India's economic and industrial position was in the past. A few extracts from these authors will be found in the Appendix.

#### Excise Policy.

11. We must record our dissent from the policy recommended by our colleagues in regard to excise duties. It may be pointed out



that towards the close of the Middle Ages internal duties formed a substantial part of revenue resources ; but even in those days, they were regarded as an obnoxious method of taxation. The more enlightened policy of the modern age has gradually swept away all internal duties which hampered trade and industry and excise on all articles excepting those which are injurious to public health and on a few luxuries. Our colleagues have in paragraph 143 referred to the excise policy of various countries from which it is evident that in most civilized countries such duties are restricted to alcohol and tobacco. They state :—

“ In the British Colonies and the United States of America excise taxation has gradually been confined to these articles. But on the continent of Europe many countries have applied the excise system to other commodities, such as sugar and salt, while France employs not only a comparatively wide range of excise duties, but also a system of State monopolies under which the whole profits from the manufacture of excisable articles, such as tobacco and matches, are secured to the State. In Egypt after the establishment of two cotton mills in 1901 the Government subjected their product to a consumption tax of 8 per cent. as compensation for the loss of customs revenue. In Japan cotton cloth is subject to a consumption tax which comprises both an excise duty on home production and a surcharge on the customs duty on the imported articles. A rebate is allowed if the cloth is exported. Japan also levies a consumption tax on kerosene and an excise duty on sugar.”

12 We will state at once that in our view excise duties should be restricted to such articles as alcohol and tobacco which are regarded as injurious to public health or to public morality and the consumption of which it is desirable to check and to a few luxuries. This is the policy which is at present adopted by the United States of America and the British Colonies. It has the support of Professor Plehn who argues that excise is a justifiable source of revenue when it is levied on articles such as wines, tobacco, etc., whose consumption it is desirable to check in the interests of the community and that if more revenue is required it may be justifiable to impose excise on articles of luxury produced in the country.

13. As regards the instances of European countries quoted by our colleagues, *viz.*, excise on sugar and salt, it may be pointed out that sugar may well be regarded as a luxury and the question of duty on salt which India also levies had led to considerable differences of opinion and cannot, therefore, be regarded as a precedent for a general excise policy. The case of France and Japan is different. France has adopted a policy of State Monopolies under which the whole profit from the manufacture of articles is secured to the State. A policy of this kind which a State works as a monopoly cannot be regarded as a guide for a correct policy on excise matters. The consumption tax on cloth manufactured in Japan cannot be held to provide any precedent for the purpose of a similar policy in India.



This tax is levied in Japan with the specific object of encouraging the export of cloth and to economise home consumption. Such a policy may be justifiable in Japan because she has developed her industries under a system of high protection and is able to manufacture for the purposes of export. This condition does not apply to India which is hardly able to supply 50 per cent. of her own requirements. We have dealt with the excise duty on sugar which we regard as coming within the category of luxury. We are not aware of the facts in regard to the excise duty levied by Japan on kerosene, but one instance in one country cannot justify the laying down of an excise policy for India. The best principle to follow appears to be that of the British Dominions and this supports the view we are recommending. The only other case which remains to be dealt with is that of Egypt. It is stated that "in Egypt after the establishment of two cotton mills in 1901 the Government subjected their product to a consumption tax of 8 per cent. as compensation for the loss of customs revenue." We wish our colleagues had not quoted the case of Egypt. In view of the political control which England exercised over Egypt and the history of cotton excise duty in India embodied in Chapter 10 of the Report, the conclusion appears irresistible that the excise duty on cotton piece-goods in Egypt was due more to Lancashire influence than to any idea of compensation for the loss of customs revenue.

14. Our colleagues recommend the imposition of excise duties on certain principles noted in paragraph 151 of the Report. The reasons why we do not agree with them have been stated. We may emphasise the fact that excise duties hamper industries and lead to undue interference with local manufacture, and it is for this, amongst other reasons, that excise duties are restricted in almost all civilized countries to the articles the consumption of which it is necessary to check in the public interest and to a few luxuries.

15. We may point out that during the period of the war every belligerent country was hard pressed to obtain revenue from every possible source. In spite of such over-powering needs for revenue to carry on the war, none of them resorted to excise duties of the kind which our colleagues have recommended as a general policy to be adopted in India. An effort is made to meet this point in paragraph 146 of the Report, but we do not regard it as in any way convincing. The United States of America has gone dry and still no excise duties of the kind recommended have been imposed. Even if a large portion of the people of India abstains from indulging in intoxicating drinks, as is implied in the statement in the report "we have pointed out above that the British Treasury is able to tax the general population by means of heavy excise duties on



alcohol, and that this excise does not have the same wide incidence in India," it can hardly be regarded as any reason for imposing excise duties on the lines recommended. It cannot be contended that the needs of the Indian exchequer can possibly compare with the needs of the belligerent countries during the war, and it must be obvious that when none of them resorted to this form of taxation, it cannot be justified in India as a general policy. In this connection, we would invite attention to the case of England herself. England raised revenue several times larger than the amount she collected before the war. She imposed a duty of 33 and one-third per cent on imported motor cars but did not put any countervailing excise duty on locally manufactured cars. England has been a free trade country and the principles of that policy coupled with the over-powering needs for revenue would have justified the imposition of countervailing excise duties on locally manufactured cars. The fact, however, remains that she did not put any excise duty on cars manufactured in England. This instance alone is, in our opinion, sufficiently conclusive to show that the excise policy recommended by our colleagues in regard to local manufactures cannot be justified.

16. We share with our colleagues the concern for the interests of the consumers in regard to the application of a policy of protection. We should like, however, to ask how this concern is consistent with the excise policy which they have recommended. They propose that—

"when an industry requires protection, any further necessary taxation on its products may, if other conditions are fulfilled, take the form of an excise duty PLUS an additional import duty. The latter should fully countervail the former and may be pitched at a little higher rate."

One of the conditions referred to is that "excise duties should ordinarily be confined to industries which are concentrated in large factories or small areas." Coupled with this condition is the recommendation in paragraph 170, *viz.*, "if, on the other hand, Government hold that their revenue requirements make it obligatory to levy taxation on cotton cloth in excess of this amount, it will be necessary for them to formulate proposals in accordance with the principles we have explained, and to lay these proposals before the Legislature." The effect of these recommendations with regard to an excise duty on cotton piece-goods is as follows :—

17. Assuming that the Tariff Board decides that a protective duty of 10 per cent. is required for the textile industry and the revenue requirements of Government make it obligatory to levy excise taxation on cotton cloth to the extent of 5 per cent., the import duty will have to be raised to approximately 17 per cent.



The price of cloth will thus rise to a parity of 17 per cent. The economic condition of India is admitted to be such that a large part of the population is under-clothed and under-fed. It is a well-known fact that prices of cotton piece-goods have considerably risen during recent years and the effect of it on this article of necessity may be judged from the speech of our colleague, Mr. C. W. Rhodes in the Legislative Assembly. He pointed out that the average consumption of cloth in India before the war was 18 yards per head, while in 1920-21 it had gone down to 10 yards. The consumers in India will have to bear the necessary burden in the wider interests of the country, as a result of the protective policy which the Commission has recommended. To suggest that further burdens should be imposed upon them by increased import duties for the purpose of countervailing excise duties is hardly consistent with the interests of the consumers, many of whom have to be content with insufficient clothing.

18. Our colleagues have referred to the power which the Central Legislature exercises under the Reforms and have stated that the question of cotton excise duties should be left to the decision of Government and the Legislature. We have already recorded our confidence in the Central Legislature in regulating the policy of protection and we would have unhesitatingly accepted their recommendation if the policy of excise duties, as recommended by our colleagues, was sound in principle. The exercise of discretion is only possible in matters which are sound in principle. We have shown that the excise policy as recommended by our colleagues is unsound in principle, and the question of the direction of the Legislature cannot therefore arise. As, however, the constitutional question has been raised by our colleagues, it is necessary to note what the actual position is. In all countries enjoying responsible government the Legislature is wholly elected and the executive government is responsible to the Legislature. During the transitional period the position in India is different. The Government is not responsible to the Legislature, and that body is not wholly elected. The budget estimates are prepared by the Executive Government and important items are non-votable. Even in regard to the items which are subject to the vote of the Legislature the power of reinstatement vests in the Governor-General. The constitution of the Legislature also requires examination. There are 143 members in the Legislative Assembly. Assuming that every member is present—experience has shown that this has not been so in practice—47 non-official members can, with the help of the official vote, out-vote 71 non-official members. It must be obvious therefore that the result of a vote in the Legislative Assembly, unless there is



a clear majority of non-official members, cannot be regarded as representing the views of the country. If the policy of excise duties, as recommended by our colleagues, was sound in principle and the vote of the non-official members of the Assembly had a binding effect we would have no hesitation in accepting the recommendation to leave the decision to such vote. We, however, hold that excise duties beyond the limitation indicated by us are not sound in principle. We, therefore, reiterate our conclusion that excise duties in India should be restricted to alcohol, tobacco, and such other articles, the consumption of which it is desirable to check in the interests of the community, and to a few articles of luxury.

#### Cotton Excise

19. We have nothing to add to the history of the cotton excise duties contained in the Report, but we do not agree with the conclusion arrived at. Our colleagues provide for a possibility of excise duties being levied on cotton piece-goods and other articles of local manufacture which is opposed to the policy generally adopted by the civilised world and is contrary to the conclusion which we have come to in regard to the general policy of excise duties.

20. The Indian point of view is conclusively shown by the evidence of witnesses who appeared before us. It is that the people of India are opposed to the levy of cotton excise duties either to countervail the import duty or for revenue purposes. Questions were asked by members of the Commission as to whether they would agree to the imposition of an excise duty on cotton piece-goods for revenue purposes, and the answer was mostly an emphatic negative. The debates in the Indian Legislature have proved beyond doubt that the sentiment of the people of India is opposed to this form of taxation. It has been admitted in the report that excise duty on cotton piece-goods is no longer fully countervailing and that in spite of this fact "*the great majority* (of witnesses) *both Indian and European have demanded its abolition.*"

21. We have pointed out in the previous chapter what in our opinion should be the policy in regard to excise duties and we believe that correctly represents the Indian view. We cannot understand why our colleagues have recommended that—

"the British Government should announce its intention of allowing the Government of India to decide the question in agreement with the Indian Legislature."

This recommendation casts a doubt upon the fiscal freedom which India has already attained. The recommendation made by our colleagues is in contradiction of the history embodied in Chapter I of the Report showing how India has now become fiscally free. In paragraph 4 of the Report, reference is made to the Despatch of the



Secretary of State dated the 30th June 1921 in which he says that he has accepted *on behalf of His Majesty's Government* the principle recommended by the Joint Committee in their Report on clause 33 of the Government of India Bill. India is, therefore, entitled to regulate her customs tariffs as is most suitable to herself and it appears to us highly prejudicial to the interests of this country for a Commission like this to suggest that any such announcement is necessary before action can be taken in the matter of cotton excise duties.

22. Our colleagues proceed to point out the financial difficulties of the Government of India. We concede that such difficulties do exist, but it is necessary to point out that the cotton excise duty was not imposed for revenue purposes, that it was levied purely to propitiate Lancashire and that the amount of revenue received has substantially increased during recent years in consequence of higher prices of piece-goods as the result of war conditions. It may be of interest to note that the average annual revenue from cotton excise duty for five years preceding the war was only Rs. 48,44,100. In other parts of the Report, recommendations have been made to abolish certain duties which were levied expressly for revenue purposes, and the following statement shows the effect of such recommendations on the revenues of the Government of India.

Abolition of export duty on tea	...	...	60 lakhs.
Abolition of import duty on machinery	...	...	105 lakhs.
Abolition of import duty on raw materials	...	...	61 lakhs.
Abolition of import duty on coal	...	...	5 lakhs.
Abolition of import duty on hides and skins	...	...	62 lakhs.
			<hr/>
			293 lakhs.

A further recommendation is that semi-manufactured goods used in Indian industries should be taxed as lightly as possible. The estimated income from articles wholly or mainly manufactured is Rs. 4,77,00,000 which will, if the recommendation is accepted, be reduced by an amount which can hardly be negligible.

24. It will be observed that revenue considerations have not deterred our colleagues from recommending the abolition and reduction of those duties which have been specifically imposed for revenue purposes, nor have they prevented them from recommending payment of bounties and subsidies. It is only when the question of abolishing the cotton excise duty is concerned, that their keen solicitude for Government revenues manifests itself. It has already been pointed out that cotton excise duty is not levied for revenue purposes, that there is an overwhelming feeling amongst the Indian



public to abolish this duty and that the Government of India have already declared their intention of removing it. It has been unanimously decided that the Commission is not in a position to determine what amount of protective duty is necessary in regard to any article and the duty of enquiring into and making recommendations on the subject has been left to the Tariff Board. The whole case for excise duties has been based on the revenue requirements of the Government of India. It appears to us that the real remedy to put Imperial finance on a sound basis is to take immediate measures to fill the reservoir of India's national wealth from which State revenue can be easily drawn. The best way to replenish the reservoir is to stimulate industrial development by a policy of protection. We may quote in this connection the case of the United States of America and Japan.

The following statement furnishes the growth of state revenues in those countries.

UNITED STATES OF AMERICA		JAPAN	
Year	Duties Collected	Year	Duties Collected
	Millions of dollars		Thousands of Yen
1870	191.5	1916	33,822
1875	154.5	1917	33,019
1880	182.7	1918	61,696
1885	178.1	1919	69,435
1890	226.5	1920	74,414
1895	129.6		
1900	229.4		
1905	287.1		
1910	326.3		
1920	308.0		
1921	275.0		
1922	330.0		

The above figures speak for themselves. In our opinion, therefore, the real remedy is to improve the economic condition of India by promoting its industrial advancement and not by imposing excise duties on local manufactures.

25. The revenue duties—and 11 per cent on textiles is a revenue duty—have been imposed without reference to their protective effect and such duties have been levied irrespective of their effect on local manufactured goods. A duty of 15 per cent is



imposed on articles wholly or mainly manufactured, 25 per cent on sugar and 30 per cent on silk piece-goods. Though sugar may well be regarded as an article of luxury and on which excise duties are levied in some countries and silk piece-goods are classified amongst articles of luxury, no excise duty is levied on any of these articles. It is difficult to understand why our colleagues have shown in view of all these facts so much concern about cotton excise duty which was admittedly imposed not for revenue purposes but for other well-known reasons.

26. As already pointed out, the British Government has not imposed any excise duty on such an article of luxury as motor cars when she levied so high a duty as 33 and one-third per cent on their import. If the Government of India desire to maintain an import duty of 11 per cent on textiles for the same reasons as they levy import duties on other articles they may retain it at that figure. If they consider that they can reduce it to 7·5 per cent or any other figure, they are perfectly free to do so ; but we hold the emphatic view that for maintaining India's self-respect it is necessary to abolish the cotton excise duty.

27. Our colleagues subscribe to the suggestion of a clean slate. If that is so, then the conclusion is inevitable that the cotton excise duty must go. This is the unanimous sentiment of the people of India and should, we think, be given effect to immediately. Whether anything should be written in the slate again after it has been wiped clean must depend upon the policy of excise duties laid down for this country and in regard to which we have expressed our views in the previous chapter.

28. There is one aspect of the question to which special attention should be drawn. When, in consequence of the first gift of £100 millions which India contributed for the prosecution of the war, India was allowed to raise the import duty on cotton textiles to 7·5 per cent without raising the excise duty on cotton piece-goods manufactured in India, a storm of protest was raised by the Lancashire interest in Parliament which led to much embitterment of feeling in India. Again, in 1921, the needs of revenue became insistent probably owing to the loss sustained by the policy of Reverse Councils and the import duty on cotton textiles was raised to 11 per cent. The agitation which was carried on in England is well-known. The Report records the facts in the following words :—

"The whole question is permeated with suspicion and resentment ; and these feelings have been kept alive by the action taken by the representatives of the Lancashire cotton industry in 1917, in 1921 and again within the last few months, the system which their influence had for so many years imposed upon India."



29. We should like to invite attention to the political effects in India of such agitation by Lancashire representatives. It is, in our opinion, essentially necessary that cordial relations should subsist between India and England. The imposition of cotton excise duties is one of the principal causes of estrangement between the two countries. Far-sighted statesmanship demands that this cause should be removed. The Indian sentiment on the question is decisive. The evidence placed before us conclusively proved this. It would be unwise to deal with the question by resorting to expedients which will not be acceptable to the Indian people. The best mode of promoting cordial relations and better understanding between the people of the two countries is boldly to face the problem and in a spirit of political sagacity to abolish the cotton excise duty at once. It is needless to point out that unless this course is adopted, Lancashire will not cease to agitate on the subject and such agitation will be a constant source of ill-feeling between the two countries.

#### Imperial Preference.

30. We recognise that Imperial Preference is a means of strengthening the ties amongst a Commonwealth of Free Nations. The exchange of trade amenities, not in a spirit of bargain, but as a free gift, has the effect of cementing the bond amongst free nations forming a Commonwealth. It may be pointed out in this connection that the Dominions conceded the principle of preference after they had attained full responsible government "*consistent with their own interests and not injurious to themselves.*" Great Britain followed in 1919 and "*introduced a preferential system. She gave freely such preferences as she felt could be granted consistently with the interests of her own people and the requirement of her own fiscal policy.*" Great Britain and the Dominions are able to regulate the policy of Imperial Preference on these lines because they are politically and fiscally free. The principle of Imperial Preference implies the uncontrolled power of initiating, granting, varying and withdrawing preference from time to time consistently with each country's interest and on lines which are not injurious to itself. India must therefore possess the same supreme powers as are enjoyed by the Dominions before Imperial Preference can become for her a matter of practical politics. India has not yet reached Dominion status. She is in a transitional stage; her Government is not responsible to her Legislature but to the British Parliament. Any acceptance in practice of the principle of Imperial Preference would make her liable to measures of preference at a time when she is not entitled to determine them



by the vote of a wholly elected Legislature with her Government responsible to such Legislature as is the case in all the Dominions.

31. It is an admitted fact that the Dominions have regulated preference as it has suited them from time to time. The British policy in regard to the grant of preference to Indian\* tea has been on the same lines. We do not wish to enter into the controversy as to whether reduced import duty on Indian tea is real preference or not. In 1915, a resolution was moved in Parliament asking for a reduction of import duty on Indian tea. The mover clearly disclaimed any idea of basing it on Imperial Preference, but urged the reduction on the ground that as the Indian tea was consumed by the poorer classes, it would be a relief to them. Mr. Lloyd George, who was then the Chancellor of the Exchequer, opposed the resolution on the ground that it would be construed as preference and might lead to retaliation by China which was a large buyer of Lancashire goods. The point to which we wish to draw special attention is that while a preference of 2d. per pound was granted in 1920-21, the budget estimates for 1921-22 reduced it to 1 and half pence. We mention this in order to confirm the principle underlying Imperial Preference that the country granting it has full power of initiating, granting, varying and withdrawing preference as it suits the interests of its own people. Such power India does not possess at present. It does not enjoy the powers which a member of the Commonwealth possessing Dominion status does. The logical conclusion, therefore, is that India cannot accept the principle of Imperial Preference until she has attained responsible government, and is able to regulate her fiscal policy by the vote of a wholly elected legislature.

32. The Report summarises the present economic condition of India, and the conclusion arrived at is embodied in paragraph 257. After recording the fact that most of the witnesses expressed themselves against the principle of Imperial Preference, it states that

"a second argument which has weighed with many witnesses is that preference is equivalent to the grant or a bounty to the British manufacturer at the expense of the Indian consumer, that India is poor while British is rich, and that it is not reasonable to expect the poor country to make a gift to the rich one. We have explained that in our opinion this view of the question is not unreasonable, and that any general system of preference would undoubtedly impose an additional burden on the Indian consumer, which we do not think it fair that he should be called upon to bear. This argument might be met by the assertion of a second principle, namely, that Imperial Preference should not involve any appreciable loss to India."

33. India cannot be called upon at present to suffer any economic loss as she is poor and as the consumers will have to bear a certain amount of burden in the larger interests of the country under



a policy of protection which we are recommending. If this policy is given effect to immediately, it is likely to become fruitful within the next few years and the economic condition of the people will improve. India by that time will have attained responsible government, which has been promised to her; then as a Self-Governing Member of the Commonwealth she will, we feel confident, be ready to adopt a policy of Imperial Preference.

34. Paragraph 255 of the Report records the fact of the

"almost complete unanimity with which Indian witnesses opposed the principle of Imperial Preference."

One of the principal reasons for this opposition is, in our opinion, the fact that India is not free, *i.e.*, does not enjoy Dominion status in the Empire. The Hon'ble Lala Harkishen Lal pointed this out in his evidence. He expressed himself in favour of the principle of Imperial Preference on the distinct condition that the political status of India should be the same as that of the other partners in the Empire. Captain Sassoon also favoured the principle but conditionally upon the right of India to withdraw such preferences when her interests required her to do so. It will be obvious that Indian sentiment is practically unanimous against Imperial Preference in view of India's present political status in the Empire. The conclusion is therefore inevitable that this question can only become a matter of practical politics when the promised goal of responsible government is reached.

35. It may well be argued that while subscribing to the principle of Imperial Preference our conclusion leads to the postponement of its application to the time when India attains her full status in the Commonwealth. This is practically the unanimous view of the people of India. We are, however, of opinion that the Indian view would be favourably inclined to accept the immediate application of the principle provided conditions are created to place India at once on the same footing as the Self-Governing Dominions in this matter. It may be pointed out that in 1918 when the Government of India proposed a further gift of about £45 millions to Great Britain for the prosecution of the war, they left the decision to the vote of the non-official members of the Imperial Legislative Council. It is therefore possible even under the political status which India now enjoys to so arrange matters as to bring about in practice the position which the Dominions occupy. We will therefore recommend that the power of initiating, granting, varying and withdrawing Imperial Preference in regard to every article should vest by legislation or other equally effective means in the non-official members of the Legislative Assembly. They will thus be empowered by non official vote to regulate the policy of Imperial Preference with



perfect freedom on the same lines as those enjoyed by the Self-Governing Dominions.

36. In paragraph 225 of the Report, it is stated

"when the country receiving the preference supplies practically the whole market, then the price to the consumer will be regulated by the lower rate. The bounty to the foreign manufacturer will cease and the consumer will get the benefit of the lower rate."

In paragraph 226 it is stated that

"after the preference is given, the price to the consumer for a time may be regulated by the higher rate of duty and the manufacturers of the favoured country will receive, as has been already explained, a bonus of the difference between the two rates. The effect of this bonus is to stimulate the trade of the manufacturers of the country receiving the preference and in a short time they may secure for themselves the whole market, driving out altogether the non-preferred manufacturers. The price to the consumer will then be regulated by the lower or preferential rate of duty, and the favoured manufacturers will find the price falls to the true competitive level. But they have not thereby lost the whole benefit of the preference. Their gain is represented by the additional quarter of the market which they have secured for themselves at the expense of their non-preferred rivals. Thus they benefit even when the consumer has ceased to suffer."

37. It is contended that when the whole supply arrives from the preferred country the consumer will cease to suffer. This is contingent upon there being in the preferred country sufficient internal competition to regulate the price on a competitive basis. In dealing with the policy of protection attention has been drawn to the danger of a possible combination of manufacturers for the purpose of exploiting the domestic consumer. It is further stated (paragraph 86) that a protectionist system certainly gives an opportunity for undesirable forms of combination.

"In a free trade country no combination of manufacturers is able to keep price of a commodity above the world price. If all the manufacturers of a particular country agreed not to sell below a certain price the only effect would be that their home market would be captured by the foreign manufacturers selling at the world price. The case of the protectionist countries is different. Here we have a tariff wall affording, when the foreign manufacturers have been partly or wholly excluded, a certain latitude of price to the home manufacturers. If the latter do not combine, the home price will be regulated by the ordinary conditions of internal competition. But by means of combinations, it is possible for the home manufacturers to keep the price distinctly above the true competitive level without inviting foreign competition."

The Report points out various remedies to be applied in the event of such a combination materialising in India. Under Indian conditions such combinations are a remote contingency but in advanced countries they are far more possible. Applying this analogy to preferred countries the Indian consumer is likely to suffer heavily when by means of preference the competitive foreign manufacturers have been excluded and the prices are maintained



at a high level. The case of the monopoly in "shipping" is a clear instance in point. The Indian people have to pay comparatively higher rates of freight, because competition has been eliminated and a practical monopoly has been created. Combinations of manufacturers in India would be easily known and the Indian Government can devise adequate measures to counteract their evil effects on the consumer. When, however, competitive foreign manufacturers have been eliminated and the whole Indian market becomes the monopoly of the manufacturers of a preferred country, the consumers may be penalised to a heavy extent and the Government of India may be powerless to take immediate and effective measures to counteract the evil. The remedy would of course be to withdraw preference, but the foreign manufacturers having lost the important Indian market may have reduced production and may not find themselves in a position to re-enter the market to the benefit of the Indian consumer. There is, therefore, clear danger in the grant of preference and the loss to the consumer in India may not prove to be temporary as stated in paragraph 227.

38. In paragraph 231, attention is drawn to a possible advantage to India in the matter of her export trade. It is stated that

"if the preferences are important, this will tend to build up direct shipping connections between the two countries, and as a consequence will give the exporters of the country granting the preference some advantage in the market of the country receiving the preference. In other words, if imports are attracted from a particular country, they will be a tendency for exports to be attracted to that country."

We are not satisfied whether in view of the actual trade between India and England any such advantage will accrue. There is a danger that such a policy may penalise the Indian producer, by reducing the number of buyers, competition amongst whom maintains a standard of world prices for Indian produce. It may also be remarked that there is a very strong feeling amongst the Indian people in favour of an Indian mercantile marine. Reference has been made in the Report in paragraph 131 to this feeling and recently it found expression in the Central Legislature. Nothing should in our opinion be done which will have the effect of retarding the establishment of a mercantile marine in India, or of making its success doubtful.

39. We regret that our colleagues should have pleaded for Imperial Preference on the ground amongst others of maintaining the British Navy. We feel that the question of naval defence of the Empire stands on an entirely different footing, and ought not to have been brought forward in this connection. It might have the effect of reviving a political controversy which is best avoided at the



present juncture. In our opinion the question stands on Imperial sentiment alone and should be examined from that point of view. The defence of the Empire depends upon various other standpoints, and the maintenance of the Indian Army which has served the interests of the Empire in the various parts of the world will have a pronounced bearing on the issue. As the question has been raised we will content ourselves by remarking that the economic prosperity which we anticipate as the result of extensive industrialisation will in course of time enable India to maintain in Indian waters a navy sufficient for the defence of India, officered and manned by Indians. It will also prove a valuable Imperial asset.

40. Having drawn attention to the possibilities which a policy of Imperial Preference may lead to, we leave the matter with full confidence in the hands of the non-official members of the Legislative Assembly in the conviction that as representatives of the people of India and fully conversant with Indian sentiment they will give effect to it in a manner consistent with Indian interest in all its aspects.

41. We wish to make it perfectly clear that we have dealt with the question of Imperial Preference as between England and India and not as affecting the British Dominions and Colonies. We are unanimous in thinking that a different policy should be adopted in regard to trade relations with other parts of the British Empire.

Our colleagues recommend in paragraph 264 that

"Hitherto, in discussing the question of Imperial Preference we have confined our consideration to preferences granted to the mother country. With regard to other parts of the Empire, we would recommend a different policy. We suggest that to the United Kingdom should be offered such preferences as India may find she is able to offer without appreciable injury to herself. With regard to other parts of the Empire, we recommend a policy of reciprocity such as is already adopted by more than one Dominion for inter-Dominion trade relations; that is to say, preferences should be granted only as the result of agreements which might prove to the mutual advantage of both parties. In this connection, India would doubtless not be unmindful of the fact that she already enjoys the benefit of certain concessions granted by Canada and New Zealand. The agreements which we contemplate would be purely voluntary; there would be no kind of obligation on India to enter into them unless her own interests appeared to demand it; and it is evident that political considerations could not be excluded in determining whether it was desirable for India to enter into an economic agreement or not."

In the next paragraph 265, it is stated that:

"We think it is necessary that there should be laid down for India some policy of the nature outlined above in regard to trade relations with other parts of the Empire. We have already mentioned that India receives preferences from Canada and New Zealand. We understand that proposals for reciprocity were received in 1919 from one of the Dominions. We have been recently informed by the Canadian Government Trade Commissioner to India that a preference on motor cars granted to Canada would stimulate the present tendency for the well-known makes of American cars destined for the Indian market to be made in



Canada and would be regarded as a graceful reciprocal act on the part of India. It seems probable that this benefit could be conferred on Canada without any appreciable loss to India."

42. We cannot agree to any trade agreements being entered into with any Dominion which discriminates against the people of this country. We believe we are voicing the unanimous opinion of the people of India when we say that no agreements based even on reciprocity in trade matters should be entered into with any Dominion which has on its statute book any anti-Asiatic legislation applying to the Indian people. Our colleagues point out the fact that Canada and New Zealand have conferred certain preferences on India. To the Indian people their self-respect is of far more importance than any economic advantage which any Dominion may choose to confer by means of preferential treatment. We may confidently state that the people of India would much prefer the withdrawal of such preference as they would not care to be economically indebted to any Dominion which does not treat them as equal members of the British Empire having equal rights of citizenship.

43. We are not opposed to negotiations being opened for trade agreements on a reciprocal basis, but the condition precedent must be the recognition of the right of Indians to equality of status. The first principle of Imperial solidarity must, in our opinion, be equal treatment of all nations forming part of the Empire. The facts as regards the treatment meted out to Indians are too well-known to be mentioned here. We will therefore content ourselves with recording our emphatic view which we think reflects the feeling of the whole country that no trade agreement should be entered into with any Dominions unless it agrees to treat the Indian people on a footing of equality and to repeal all anti-Asiatic legislation in so far as it applies to the people of this country.

44. We will now summarise our conclusions in regard to Imperial Preference :

(1) We are in favour of the principle of Imperial Preference on the distinct condition that India should in this matter be put on the same footing of freedom as is enjoyed by the Self-Governing Dominions, and that the non-official members of the Legislative Assembly should be given power by legislation or other equally effective means to initiate, grant, vary and withdraw preference as may be necessary in the interest of India in all its aspects.

(11) That the condition precedent to any agreement with a British Dominion in trade matters on the basis of reciprocity should be the recognition of the right of the Indian people to a status of complete equality and the repeal of all anti-Asiatic laws so far as they apply to the people of India.

#### Foreign Capital

45. The only exception which our colleagues make in recommending free and unconditional introduction of foreign capital



after the policy of protection is adopted and a tariff wall is erected is contained in paragraph 292 which reads as follows :—

“ We think, however, that where Government grants anything in the nature of a monopoly or concession, where public money is given to a company in the form of any kind of subsidy or bounty, or where a license is granted to act as a public utility company, it is reasonable that Government should make certain stipulations. Where the Indian Government is granting concessions or where the Indian tax-payers' money is being devoted to the stimulation of an enterprise, it is reasonable that special stress should be laid on the Indian character of the companies thus favoured. In all such cases we think it would be reasonable to insist that companies enjoying such concessions should be incorporated and registered in India with rupee capital, that there should be a reasonable proportion of Indian Directors on the Board and reasonable facilities should be offered for the training of Indian apprentices at Government expense.”

46. We are unable to appreciate the distinction drawn between companies getting Government concessions and companies establishing themselves behind the tariff wall erected under the policy of protection. We can understand such a distinction under a policy of free trade. The Government of India have, as pointed out in the Report, laid down the following policy under the free trade conditions :—

“ The settled policy of the Government of India is that no concession should be given to any firms in regard to industries in India unless such firms have a rupee capital, unless such firms have a proportion, at any rate, of Indian Directors, and unless such firms allow facilities for Indian apprentices to be trained in their works.”

47. The distinction to be drawn on the question under a policy, of free trade and that of protection is obvious. In the former case the grant of concession is a favour justifying the laying down of special conditions. This was done by the Government of India. Under a policy of protection, the right to establish an industrial enterprise behind the tariff wall is a concession in itself. There is really no distinction between Government granting subsidies or bounties out of money collected by them by way of taxation and allowing an industry to tax the people directly by means of higher prices resulting from protective duties. In both cases, it is the people of India who have to pay the price either as tax-payers or as consumers. Industrial concerns benefit either directly from Government subsidies or bounties or indirectly by higher prices due to protective duties. If the imposition of conditions is justifiable in the one case, it is equally justifiable in the other. Our conclusion therefore is that every company desiring to establish an industry after the policy of protection has been adopted in India should be subject to the same conditions which are recommended by our colleagues, *viz.*, that all such companies should be



incorporated and registered in India with rupee capital, that there should be a reasonable proportion of Indian Directors on the Board and that reasonable facilities should be given for the training of Indian apprentices.

48. There are special reasons why all industrial companies should be incorporated and registered in India with a rupee capital. In this connection, we should like to quote Sir Frederick Nicholson. He says :—

"I beg to record my strong opinion that in the matter of Indian industries, we are bound to consider Indian interests firstly, secondly, and thirdly ..... I mean by firstly, that the local raw products should be utilised, by secondly, that industries should be introduced, and by thirdly, that the profits of such industries should remain in the country."

Our colleagues have stated in paragraph 293 that in their opinion "whether the immediate profit goes to a foreign or an Indian capitalist, the main and ultimate end, namely, the enrichment of the country will be attained." We may point out the fallacy underlying this argument. The enrichment of the country depends, in the words of Sir Frederick Nicholson, upon the profits of the industry remaining in the country. National wealth can thus be increased in a shorter period of time than by the taking away of industrial profit to foreign countries.

49. It appears to us that there is some confusion in the treatment of considerations relating to capital contained in the Report. Loan capital and ordinary capital are mixed up. It is only in regard to this latter form of investment that there can be room for difference of opinion, and the balance of advantage has to be ascertained. Our colleagues point out the advantages of a rapid development of industries as conducing to the relief of consumers. We are unanimous in thinking that in the interests not only of the consumers but of the economic advancement of the country, it is essentially necessary that industrialisation should proceed at a rapid pace. It is because we apprehend that the progress will be slow that we have demurred to the stringent conditions which our colleagues have attached to the policy of protection and the qualifications with which they have circumscribed it. We will, therefore, state at once that we would raise no objection to foreign capital in India obtaining the benefit of the protective policy provided suitable conditions are laid down to safe-guard the essential interests of India.

50. We must not be understood as subscribing to the reasoning adopted by our colleagues in agreeing to the introduction of foreign capital in India behind the tariff wall. We should like to draw attention to the following extract from paragraph 289 of the Report :—



"Moreover, apart from the intrinsic benefits of increased supply of capital, the foreigner who brings his capital to India supplies India with many things of which at her present stage she stands greatly in need. It is on the whole the foreign capitalist who imports into the country the technical knowledge and the organisation which are needed to give an impetus to industrial development. It is to him that we must look largely at first for the introduction of new industries and for instruction in the economies of mass production."

We regret that our colleagues should have thought fit to depreciate the capacity of Indians in the matter of industrial enterprise. The history of such industrial development as has been possible under free trade conditions shows that Indians have freely imported technical skill from abroad pending the training of Indian apprentices, and have conclusively shown their capacity to organise and develop large scale industries. The lack of capital to which repeated references have been made is due more to the risks involved in establishing new industries under free trade principles than to actual inadequacy of capital. This was, in our opinion, clearly proved by the industrial activities which resulted from the indirect protection afforded by war conditions. The enormous amounts which the Government of India have been able to borrow in India for State purposes is another proof that adequate capital is available in India for investment in safe and sound channels ensuring a reasonable return. A policy of protection will give the necessary confidence, and we hold the view that reasonably adequate capital will be available under such a policy. In support of this view we may quote from the evidence of Mr. Shakespear of Cawnpore who stated that once confidence was created, by adopting a policy of protection, the difficulty in obtaining capital would largely disappear. It is because we desire that industrialisation should proceed very rapidly that we are prepared to accept the advent for foreign capital to accelerate the pace.

51. We will at once proceed to state the conditions which we think should be laid down in regard to foreign enterprise with reference to manufacturing industries in India:

- (1) Such companies should be incorporated and registered in India in rupee capital.
- (2) There should be a reasonable proportion of Indian Directors on the Board.
- (3) Reasonable facilities should be offered for the training of Indian apprentices.

52. As a matter of fact, there is no difference of opinion as regards the conditions mentioned. The Government of India have themselves laid down these conditions under a free trade policy in regard to all companies which get concessions. Our colleagues have also made recommendations on the same lines, if any concessions



such as bounties and subsidies are granted. There is in our opinion no distinction between direct concessions and the right to establish industries within the tariff wall. In the one case the Government tax the people while in the other Government permit the consumers to be exploited by means of higher prices due to protective duties. Apart from these considerations, there are in our opinion strong reasons why incorporation and registration in rupee capital should be insisted upon. When a policy of protection is adopted, it becomes essential that the Government of India should have in the interests of the consumers full information and complete control over industries established in this country. In fact, "it is reasonable that special stress should be laid on the Indian character of the companies thus formed." The rate of protection has to be determined from time to time and it appears to us essential that in the interests of the people of India Government should have all the materials necessary to protect the interests of the people. We may be permitted to point out that this condition can by no means be regarded as onerous. India has been working all these years under a policy of free trade. Every foreigner was therefore free to establish industries in India. Many foreign firms have availed themselves of this privilege and have established a large number of manufacturing industries. The proportion of companies incorporated elsewhere and working in India is comparatively very small and there can therefore be no hardship if under a policy of protection it is laid down that each company which starts manufacture in India shall be incorporated and registered in this country.

53. There is one aspect of the question to which attention must be drawn. If our colleague's recommendation is accepted it will be open to every foreigner to establish manufacturing industries in India by means of companies incorporated in their own countries and in their own currency. This danger did not exist under a policy of free trade, but it is bound to materialise when the benefit of protective duties becomes available. We may have under such circumstances companies incorporated elsewhere, say in America in dollars, in France in francs, in Italy in liras, in Germany in marks, in Japan in yens and in China in dollars, etc. It will be also possible for these companies to obtain their whole capital in their own countries and thus carry away the entire profit of manufacturing industries established behind the tariff wall. The consumer will have paid a higher price, due to protective duties, and the entire manufacturing profit will have gone out of the country. We cannot obviously understand how under such conditions "the main and ultimate end *viz.*, the enrichment of the country will be attained." (Paragraph 293). We would venture to assert that India cannot



possibly be expected to adopt a policy which is likely to lead to such a result.

54. Sir Frederick Nicholson's third condition is that the profits of Indian industries should remain in the country. We are accepting for the present the policy of foreign capital for the rapid development of industries, but the safeguards of incorporation in India and rupee capital are essentially necessary to provide for the opportunity of investment of Indian capital and the retention of industrial profits at least to that extent in this country. Companies incorporated in foreign countries and in the currency of such countries would not provide such facilities for investment. We would specially invite attention to the desirability of drawing middle class capital to industries. Unless the companies are corporated in India in rupee capital the opportunity for such investment will hardly arise. It is not reasonable to expect the people of India, specially the middle classes, to take the risk of exchange by investment in companies incorporated in foreign countries in their currency even if any such investment is possible. We believe there will be no difference of opinion on the point that Indian capital should have full scope for investment in Indian industries and that foreign capital should merely supplement it to accelerate the pace and to provide the early relief of the burden on the consumer. We do not apprehend any danger of the kind indicated in the report, *viz.*, that such a policy will lead to formation of private companies. There is in our opinion very little likelihood of individual firms providing the whole capital themselves by registering private companies. If, however, such a contingency arises it can only mean that the profit of the enterprise is expected to be so substantial that the promoters desire to keep the whole of it to themselves and carry it away to their own countries. If such a danger materialises and foreign firms resort to such expedients, we think that the Government of India should by means of legislation or otherwise take steps to put a stop to it. No foreign country should be allowed to monopolise the profits due to the policy of protection in India and at the cost of the Indian consumers.

55. The condition about a reasonable proportion of Indian Directors is the logical outcome of the policy laid down by the Government of India and supported by our colleagues. It is true that joint stock companies are placed by statute on a democratic basis and there is an element of racial consideration in the question. We may, however, point out that in actual practice the result is different and that the Government of India have themselves considered it necessary to impose such a condition.

56. Our third condition is also the same as has been laid down by the Government of India and accepted by our colleagues. We



recognise that circumstances are favouring the training of Indian apprentices and that in the interests of economic working of the industries, the managing agents are inclined to train and employ Indians in preference to more costly foreign labour. In these circumstances, our recommendation would be that the Government of India should take power by legislation to bring about the training of Indian apprentices in such cases as they may in their discretion consider necessary. This legislation should apply to all factories in India whether under Indian or foreign management. If the tendency to which a reference is made in the report develops and the Indian apprentices are being trained on economic grounds there will be no occasion to exercise the powers so obtained. We have to remember that the question applies to all foreign countries establishing manufacturing industries in India and there may be an occasion in the interests of the people of India to put into force the provisions of such legislation.

57. There is an economic aspect of the employment of foreign skilled labour which needs attention. The Tariff Board has been asked to take into consideration the cost of production in other countries and in India and to determine with other relevant factors the rate of protection which should be granted to a given industry. The cost of labour does not form an insignificant factor in the determination of the cost of production, and consequently the rate of protection. If foreign skilled labour is employed the rate of protection will be higher and the consequence will be a greater loss to the consumers. In many cases it will be necessary to employ foreign skilled labour at the outset and the consumer will have to bear the necessary loss. But it is essential that such loss should be minimised as early as possible. The scheme of training Indian apprentices to take the place of foreign skilled labour has, therefore, the double advantage of providing further avenues of employment for trained Indians and of minimising the loss to the consumer.

#### The Tariff Board.

58. We are unanimous in thinking that the many important functions which are required to be performed necessitate the constitution of a Tariff Board. "The Board must be one which will command the confidence of the country, and must be above suspicion of any subservience to particular interests." While agreeing with this general proposition, we think it is necessary to secure a judicial decision amongst the conflicting interests and to have the consumers represented upon it. In our view, the Board should consist of three members and the Chairman should be a trained lawyer occupying the status of a High Court Judge. A Judge of a High Court has to adjudicate on important and complicated problems of litigation and his impartiality cannot be questioned. We are unanimous in thinking that "it is essential that the fact that enquiry is taking place should be widely known, that all possible interests should have every opportunity for representing their point of view, that a formal enquiry should be



held in public and that the Government should publish the results of the enquiry promptly." It will be apparent that at an enquiry at which all possible interests have to be examined and a well-balanced decision is to be given, the most qualified person to do so would be a man who has been trained both by practice in the Courts and by experience on the Bench of a High Court. We would therefore recommend that the Chairman of the Tariff Board should be an officer possessing these qualifications.

59. As regards the two other members we must examine the principles adopted by America and Australia in constituting their respective Boards. "The members of the United States Tariff Commission appeared to be for the most part men of wide general attainments." Members other than the Chairman "appear to be for the most part men who have distinguished themselves in law or in politics." We may quote from the Act creating a Tariff Commission in the United States of America, Section 700 :

"That a Commission is hereby created and established to be known as the United States Tariff Commission (hereafter in the title referred to as the Commission) which shall be composed of six members who shall be appointed by the President BY AND WITH THE ADVICE OF THE SENATE."

We think it is desirable to adopt the same principle for selecting the two other members. They should be elected by the non-official members of the Legislative Assembly, who represent wide electorates throughout the country and may well be relied upon to choose

"men of ability, of integrity and of impartiality."

The principle recommended by us is similar to the one adopted by the United States of America. The best way of making appointments "by and with the advice" of the Legislature is to allow them to elect such members. We have recommended that the Chairman should be a trained lawyer. The two other members, if our recommendation is adopted, will be distinguished men who may be expected, while representing the interests of the consumers, to be capable of taking broad views in the larger interests of the country. It appears to us necessary that the Tariff Board should be so constituted as to give general satisfaction to the people of India and should be able to command for their decisions the general support of the country. The interests of trade, commerce and industry should also have a voice in the determination of the issues submitted to it. We do not think that such interests should find representation on the Tariff Board. The plan most suited to Indian conditions is the combination of the American and Australian models. Our recommendations would therefore be that :

60. The Board should consist of three members and two assessors :

(i) The Chairman should be a trained lawyer who has had experience for a reasonable time on one of the High Courts in India.

(ii) The other two members should be elected by the non-official members of the Indian Legislature ; and

(iii) Two assessors representing trade, commerce and industry by election by the leading Chambers and Mercantile Association in India.

The representatives of the Chambers and Mercantile Associations should serve as assessors and should only be called at the discretion of the Board when in their opinion the presence of such assessors will be helpful to the Board in the investigation of any particular question.

61. Great stress has been laid on a continuity of policy. We do not think that the adoption of our scheme for the constitution of the Board will in any way militate against it. The Chairman and the permanent staff will secure all the continuity that is necessary. While the additional advantage of the adoption of our scheme will be that it will command the confidence of all shades of public opinion.



## Conclusion.

62. We cannot understand why our colleagues have been apologetic in justifying the Commission's recommendation in favour of a policy of protection. India has attained fiscal freedom and the policy which is unanimously supported by the Indian people must be the policy which should be adopted for this country. It is a mere commonplace to say that a rich India is a tower of strength to the Empire, while an economically weak India is a source of weakness. In our opinion, India would have been of far greater help to England during the war if a policy of protection had been adopted at least a generation ago and intense industrialisation had been made possible. It was a short-sighted policy to have kept a country inhabited by one-fifth of the human race in a state of chronic poverty by making it almost entirely dependent on agriculture. Indian publicists of eminence, with the full support of Indian public opinion, have insistently demanded a different fiscal policy for a long time past. In the words of the Report, "the appointment of the Indian Fiscal Commission may be regarded as the outcome of a *long-standing and insistent demand* of the public in India for a revision of the tariff policy." If this demand had not been resisted, the economic growth and well-being of the people of India would have been secured. This would undoubtedly have been to her great advantage and would also have been beneficial to the Empire. India has now attained fiscal freedom and we earnestly trust that the Government of India, in co-operation with the Indian Legislature, will hasten to give effect to the policy of industrialisation which we recommend so that she may grow to her full economic stature within a reasonable period of time.

63. We have to make these observations in view of the statement made by our colleagues, viz. that "*India for many years to come is likely to concentrate on the simpler forms of manufactured goods* and these are precisely those in which the United Kingdom has the smallest interest." We earnestly trust that no such limitations will be placed in the path of India's industrial development. We have already pointed out that we disagree with our colleagues regarding their proposals to hedge in the policy of protection. We hope this has not been done with the object of keeping "India to concentrate her industries on the manufacture of simpler forms of goods." That would be no real response to the unanimous view of the Indian people; on the other hand, it would cause great disappointment in the country. We may point out that although the consensus of the Indian view, as expressed by the witnesses who appeared before us, was against the introduction of foreign capital for industrial development in India, we have agreed to recom-



mend it on the terms mentioned, for the reasons advanced in the Report. *viz.*,

"If, therefore, in addition to her own capital she is able to attract capital from abroad, her development will be accelerated \* \* \* Protection entails a sacrifice on the part of the consumer. Our object should be to make that sacrifice as short as possible. The sacrifice is complete when the new industries have fully developed. Therefore it is of the first importance that the development of new industries should proceed as rapidly as possible. The more capital is employed in the development of industries, the more rapid will that development be and therefore the shorter will be the period of the burden on the consumers."

Indian opinion is unanimous and insistent on the subject and desires an intense effort at industrialization. The Indian people expect by means of protection and whole-hearted co-operation of the State to reach a commanding position in the industrial world within a reasonably short period of time. They will not be satisfied by a policy which is likely to make them concentrate their efforts for many years to come on the manufacture of simpler forms of goods. A policy which is likely to lead to this result will not appeal to the people of India and the Commission would have been constituted to little purpose, if the result of its labour is not likely to be more fruitful.

64. The economic problem of India must at least now be examined in a spirit of broad-minded statesmanship. India inhabited by a fifth of the human race can be of tremendous value, economic and political, both to herself and to the Empire, if development proceeds on lines best suited to her own conditions. If in the process of her attaining her full stature, there is any risk to the immediate interests of the British manufacturers, that risk must be faced. We think that the risk is remote, not because India is likely to concentrate "on the simpler form of manufacture" but because by an intense effort at industrialization, she will grow rapidly prosperous and her requirements of manufactured goods will largely increase. The growing prosperity which will result from the rapid development of industries will create increased demand for manufactured articles, both for those which she can manufacture herself and those which she must import, and the trade relations between the two countries will be put on a sound economic basis, mutually beneficial to both.

IBRAHIM RAHIMTULLA.  
T. V. SESHAGIRI AYYAR.  
G. D. BIRLA.  
JAMNADAS DWARKADAS.  
NAROTTAM MORARJEE.

5th September, 1922.



## Appendix (A) to the Minute of Dissent

Professor Hamilton points out that before the coming of the Portuguese into India, three well recognised routes, two by sea and one by land were mapped out by Indian traders for carrying on their export trade. The first was by sea to the Arabian coast at Aden, and thence to Cairo and Alexandria; the second was by sea to the Persian Gulf and thence by land to Aleppo and on to the Levantine ports; the third lay overland by Kandahar to the cities of Persia and Turkey. A flourishing trade was carried on through the agency of the Indian mercantile marine with Greece, Rome and Venice in the earlier periods and with Holland and England later on.

Mr. Taylor in his History of India has this striking passage :

“The arrival in the port of London of Indian produce in Indian built ships created a sensation among the monopolists which could not be exceeded if a hostile fleet had appeared on the Thames. The ship-builders of the port of London took the lead in raising the cry of alarm. They declared that their business was in danger and that the families of all the ship-wrights in England were certain to be reduced to starvation.”

Professor Jadunath Sircar enumerates a long list of manufactured articles for which India was famous. The Moghul Emperors encouraged this production by the grant of subsidies, etc. Dacca muslin is particularly referred to by all writers.

Lecky says : The woollen and silk manufacturers (of England) were seriously alarmed. This led to the passing of the Acts of Parliament in 1700 and 1721 absolutely prohibiting, with a very few specified exceptions, the employment of printed or dyed calicoes in England either in dress or in furniture and the use of printed or dyed goods of which cotton formed any part.

Mr. Romesh Chandra Dutt says :

“A deliberate endeavour was now made to use the political power obtained by the East India Company to discourage the manufacturers in India. In their letter to Bengal dated 17th March 1769, the Company desired that the manufacture of raw silk should be encouraged in Bengal and that the manufacture of silk fabrics should be discouraged. They also recommended that the silk winders should be forced to work in the Company's factories and prohibited from working in their own homes.”

The Indian point of view was clearly stated by Wilson in these terms :

“Had India been independent she would have retaliated, would have imposed prohibitive duties upon the British goods and would thus have preserved her own productive industry from annihilation. This act of self-defence was not permitted her. She was at the mercy of the stranger. British goods were forced upon her without paying any duty and the foreign manufacturer employed the arm of political injustice to keep down and ultimately strangle the competitor with whom he could not have contended on equal terms.”



# APPENDIX B.

Value (in lakhs of rupees) of Imports, Private Merchandise, according to four main classes and subdivisions thereof.

	Average of five pre-war years 1909-10 to 1913-14	Average of five war years 1914-15 to 1918-19	1919-20	1920-21	1921-22
<b>I.—FOOD, DRINK AND TOBACCO.</b>					
Sugar	13,18	14,70	22,99	18,50	27,50
Grain, pulse and flour	20	53	3,09	5	9,34
Provisions and oilman's stores	2,05	2,15	2,91	3,61	2,71
Liquors	1,72	2,04	2,91	4,21	3,37
Other food and drink	84	1,89	2,32	2,44	1,70
Spices	1,55	1,97	2,27	1,91	1,93
Tobacco	71	1,32	2,02	2,96	1,65
Fruits and vegetables	1,08	1,10	190	1,68	1,68
Tea...	22	47	54	40	56
Fish (excluding canned fish)	31	20	19	21	19
Total Class I.	21,85	26,39	41,13	35,97	50,63



## APPENDIX B.—(Contd.)

		Average of five pre- war years 1909-10 to 1913-14.	Average of five war years 1914-15 to 1918-19	1919-20	1920-21	1921-22
II.—RAW MATERIALS AND PRODUCE AND ARTICLES MAINLY UNMANUFACTURED.						
Oils	...	3,95	4,24	9,44	8,76	7,56
Silk	...	1,17	1,10	1,77	1,63	1,32
Seeds	...	8	58	1,26	52	17
Wood and timber	...	71	85	1,25	1,08	86
Gums, resins and lac	...	26	23	72	48	41
Cotton	...	1,02	44	68	1,69	3,45
Tallow, stearine, and wax	...	17	18	24	49	21
Hides and skins, raw	...	14	16	20	10	10
Coal, coke and patent fuel	...	81	30	13	30	5,85
Metallic ores and scrap iron or steel for remanufacture.	...	4	3	8	18	9
Wool	...	16	18	7	7	9
Textile materials other than cotton, silk and wool (raw).	...	6	17	6	13	12
Miscellaneous	...	1,47	1,05	1,47	1,68	1,79
Total Class II.	...	10,03	9,52	17,37	17,11	22,01



# APPENDIX B.—(Contd.)

	Average of five pre- war years 1909-10 to 1913-14	Average of five war years 1914-15 to 1918-19	1919-20	1920-21	1921-22
<b>III.—ARTICLES WHOLLY OR MAINLY MANUFACTURED.</b>					
<b>Yarns and textile fabrics—</b>					
Cotton ... ..	52,18	52,48	59,08	1,02,12	56,93
Silk ... ..	2,77	2,82	5,92	5,59	2,99
Wool ... ..	3,08	1,82	1,60	5,53	1,23
Haberdashery and Millinery	1,37	1,02	97	3,02	63
Others ... ..	50	85	1,52	2,06	65
Metals—iron and steel, and manufactures thereof	11,16	9,59	16,29	31,24	21,16
Machinery of all kinds, including belting for machinery	5,80	5,77	9,58	24,09	35,49
Cutlery, hardware, implements (except machine tools), and instruments	5,02	4,87	7,15	16,16	11,94
Metals, other than iron and steel and manufactures thereof	4,59	2,78	6,40	9,35	5,05
Railway plant and rolling-stock	6,11	1,42	4,59	14,13	18,91
Carriages and carts, including cycles and motor cars	1,56	3,48	4,54	14,08	3,54

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## APPENDIX B.—(Contd.)

	Average of five pre- war years 1909-10 to 1913-14	Average of five war years 1914-15 to 1918-19	1919-20	1920-21	1921-22
Chemicals, drugs and medicines ...	2,13	3,43	3,74	5,16	3,75
Dyes and colours ...	2,07	2,09	3,23	5,72	4,49
Paper, pasteboard and stationery ...	1,85	2,67	3,13	9,12	3,25
Glassware and earthenware ...	2,16	1,76	2,74	4,28	3,00
Apparel ...	2,03	1,85	1,97	4,32	1,28
Hides and skins, tanned or dressed, and leather	45	36	54	1,29	66
Furniture, cabinetware and manufactures of wood	30	32	46	96	54
Arms, ammunition and military stores ...	34	33	37	64	70
Miscellaneous ...	6,34	8,87	11,54	16,12	13,29
Total Class III	1,11,80	1,08,56	1,45,35	2,74,98	1,89,47
IV—MISCELLANEOUS AND UNCLASSIFIED.	2,16	3,33	4,12	7,55	4,32
Grand Total	1,45,85	1,47,80	2,07,97	3,35,60	2,66,43



# APPENDIX C.

Value (in lakhs of rupees) of Exports, Private Merchandise, according to four main classes and sub-divisions thereof.

	Average of five pre-war years 1909-10 to 1913-14.	Average of five war years 1914-15 to 1918-19.	1919-20.	1920-21.	1921-22.
<b>I.—FOOD, DRINK, AND TOBACCO.</b>					
Grain, pulse and flour ...	45,82	37,42	15,15	25,65	29,99
Tea ...	13,07	7,55	20,56	12,15	18,22
Spices ...	86	1,03	1,57	83	1,01
Tobacco ...	37	56	93	75	71
Provisions and oilman's stores ...	46	60	62	74	71
Fruits and vegetables ...	47	57	63	60	63
Sugar ...	16	22	54	95	25
Fish (excluding canned fish) ...	39	43	51	56	60
Liquors ...	1	...	...	...	...
Other food and drink (coffee and salt) ...	1,38	1,19	1,73	1,43	1,39
Total Class I ...	62,97	59,57	42,23	43,67	53,51



## APPENDIX C.—(Contd.)

	Average of five pre-war years 1909-10 to 1913-14.	Average of five war years 1914-15 to 1918-19.	1919-20.	1920-21.	1921-22.
<b>II.—RAW MATERIALS AND PRODUCE AND ARTICLES MAINLY UNMANUFACTURED.</b>					
Cotton ... ..	33,28	33,63	58,65	41,63	53,57
Jute ... ..	22,20	12,80	24,70	16,36	14,05
Seeds ... ..	24,37	12,17	26,27	16,83	17,41
Hides and skins, raw	10,32	9,88	23,41	5,25	5,98
Wool ... ..	2,68	3,90	4,01	2,26	2,54
Oils ... ..	92	1,87	3,22	1,78	1,02
Gums, resins, and lac	2,29	2,66	7,42	7,68	7,94
Metallic ores and scrap iron or steel for re-manufacture.	1,15	1,91	1,50	2,47	1,70
Hemp ... ..	78	1,18	1,89	86	39
Textile materials, other than cotton, jute, wool, and hemp.	43	45	1,40	90	82
Wood and timber	98	69	1,42	1,24	59
Coal, coke and patent fuel	76	48	83	1,50	16
Tallow, stearine, and wax	9	8	9	11	9
Miscellaneous ...	2,28	3,25	5,01	4,56	3,11
Total Class II	1,02,53	84,96	1,59,83	1,03,43	1,09,73







## APPENDIX C—(contd.).

	Average of five pre-war years 1909-10 to 1913-14.	Average of five war years 1914-15 to 1918-19	1919-20.	1920-21.	1921-1922.
Cutlery, hardware, implements (except machine tools) and instruments.	6	4	8	10	9
Paper, pasteboard, and stationery ...	1	2	4	2	3
Furniture, cabinetware, and manufactures of woods.	7	4	12	9	12
Railway plant and rolling-stock ...	1	2	3	11	7
Glassware and earthenware ...	2	1	3	2	2
Machinery of all kinds, including belting for machinery.	...	1	2	...	...
Carriages and carts, including cycles and motor cars.	...	...	1	...	...
Miscellaneous ...	3,00	3,12	5,01	4,10	4,50
Total Class III	51,88	69,40	1,03,25	86,91	61,67
IV.—MISCELLANEOUS AND UNCLASSIFIED	2,12	2,04	3,71	4,29	4,64
Total ...	2,19,50	2,15,97	3,09,02	2,38,30	2,29,55



## APPENDIX D.

Percentage share of the principal countries in the total trade in merchandise only

Countries	AVERAGE OF FIVE PRE-WAR YEARS 1909-10 TO 1913-14			AVERAGE OF FIVE WAR YEARS 1914-15 TO 1918-19			1919-20			1920-21			1921-22		
	Imports	Exports, in- cluding re- exports	Total	Imports	Exports in- cluding re- exports	Total	Imports	Exports in- cluding re- exports	Total	Imports	Exports in- cluding re- exports	Total	Imports	Exports in- cluding re- exports	Total
BRITISH EMPIRE															
United Kingdom	62.8	25.1	40.0	56.5	31.1	41.2	50.5	29.6	37.7	61.0	21.9	44.1	56.7	19.7	39.0
Ceylon	.5	3.7	2.4	1.1	4.3	3.0	1.2	3.4	2.6	.6	4.6	2.3	.5	5.1	2.7
Straits Settlements	2.1	3.4	2.9	3.0	2.7	2.8	2.9	2.3	2.5	1.4	3.6	2.3	1.5	3.1	2.3
Australia ...	.7	1.4	1.1	.8	2.2	1.7	1.6	1.0	1.2	.4	2.4	1.3	3.6	1.7	2.6
Hongkong ...	.7	4.1	2.7	.9	2.0	1.6	1.3	2.8	2.2	.7	2.8	1.7	.6	2.7	1.6
Mauritius & Dependencies	1.8	.6	1.1	1.1	.6	.8	.6	.4	.5	.3	.7	.5	.8	.9	.8
Total (including other British possessions)	69.8	41.9	52.9	65.4	51.7	57.1	61.0	44.0	51.0	66.0	43.0	56.0	66.6	37.3	52.3
FOREIGN COUNTRIES															
Japan	2.5	7.5	5.5	10.4	11.2	10.9	9.2	14.3	12.3	7.9	9.5	8.6	5.1	15.8	10.2
U. S. of America	3.1	7.5	5.8	7.0	11.9	9.9	12.1	14.9	13.8	10.5	14.8	12.4	8.1	10.5	9.1
Java	6.4	1.3	3.3	7.8	1.1	3.8	9.4	.6	4.0	4.6	1.2	3.2	8.9	1.7	5.5
France	1.5	6.6	4.6	1.3	4.5	3.2	.8	4.8	3.3	1.1	3.1	2.0	8	4.0	2.4
Italy	1.0	3.2	2.3	1.2	3.9	2.8	.6	2.4	1.7	1.2	2.6	1.8	.8	2.4	1.5
China (exclusive of Hong- kong and Macao)	1.1	3.9	2.8	1.3	2.0	1.7	1.8	3.4	2.8	.9	3.3	1.9	1.0	4.5	2.7
Persia	.4	.5	.5	.6	1.6	1.2	1.6	1.6	1.4	.4	1.5	.9	.6	1.4	1.0
Russia	.1	.9	.6	.1	1.2	.8	.1	...	...	.1	...	.04	.01	...	.01
Holland	.9	1.5	1.3	.6	.2	.3	.5	.5	.5	.9	.5	.7	.9	.9	.9
Belgium	1.9	5.3	3.9	.3	.5	.4	.3	3.1	2.0	1.6	5.0	3.1	2.0	3.3	2.6
Germany	6.4	10.0	8.6	.7	.9	.8	...	.4	.3	1.4	3.4	2.3	2.7	6.6	4.6
Austria-Hungary	2.2	3.5	2.9	2.	.4	.3	.1	.1	.1	.2	.3	.3	.1	.3	.2
Total (including other foreign countries)	30.2	58.1	47.1	34.6	48.3	42.9	39.0	56.0	49.0	34.0	57.0	44.0	33.4	62.7	47.4



## APPENDIX E.

Table showing the effect of Tariff Valuations as compared with "ad valorem" Duties if the valuation is taken as the average of the prices of the three preceding years.

Prices are considered to vary during the three years from Re. 1 to Re. 3 and the duty is taken as 20 per cent for ease of calculation.

If the prices for the three years are respectively	Then the average will be	IF THE PRESENT PRICE IS 1.		IF THE PRESENT PRICE IS 2.		IF THE PRESENT PRICE IS 3.	
		Cost PLUS 'AD VALOREM' duty	Cost PLUS tariff valuation duty	Cost PLUS AD VALOREM duty	Cost PLUS tariff valuation duty	Cost PLUS AD VALOREM duty	Cost PLUS tariff valuation duty
1, 1, 1	1	1.2	1.2	2.4	2.2	3.6	3.2
1, 1, 2 or 1, 2, 1 or 2, 1, 1.	1.33	1.2	1.266	2.4	2.266	3.6	3.266
1, 2, 2 or 2, 1, 2 or 2, 2, 1 or 1, 3, 1 or 1, 1, 3 or 3, 1, 1.	1.66	1.2	1.334	2.4	2.334	3.6	3.334
1, 2, 3 or 1, 3, 2, or 2, 1, 3 or 2, 2, 2 or 2, 3, 1 or 3, 2, 1 or 3, 1, 2.	2	1.2	1.4	2.4	2.4	3.6	3.4
1, 3, 3 or 2, 3, 2, or 2, 2, 3 or 3, 2, 2 or 3, 3, 1 or 3, 1, 3.	2.33	1.2	1.466	2.4	2.466	3.6	3.466
3, 3, 2 or 3, 2, 3, or 2, 3, 3.	2.666	1.2	1.534	2.4	2.534	3.6	3.534
3, 3, 3	3	1.2	1.6	2.4	2.6	3.6	3.6

When the present price is low, the consumer pays a higher duty and the manufacturer gets a greater protection. When the present price is higher, the consumer pays a lower percentage duty and the manufacturer gets a lower percentage protection.



# Report

## On The Burma Reforms

The report of the Burma Reforms Committee, (the Whyte Committee), the Government of India's Despatch, and the Draft Rules as approved by the Joint Committee, and the correspondence presented to Parliament including the recommendations of the Burma Govt., were published in May 1922.

### The Whyte Committee Report

The report of the Burma Reforms Committee, presided over by Sir Frederick Whyte, covers 24 pages and is generally unanimous, but contains three minutes of dissent by Maung Po Bye, Maung Myint and Mr. P. P. Ginzala. The report consists of eight chapters. The first lays down the terms of reference and the second reviews the history of the question of Reforms in Burma. It points out that the tentative scheme of the Lieutenant-Governor and the Government of India's scheme, made in the previous year, were unacceptable to the Secretary of State (Mr. Montagu) who finally decided on the application to Burma of the Government of India Act and decided to appoint for enquiry a special committee. The committee examined 101 witnesses in all. The committee next refers with regret to its boycott by the general council of the Burmese Association and the Indian Association, which adopted threats and intimidation to prevent some witnesses from appearing before the committee. The committee believes that when the result of their labours are made public, wiser counsels will prevail and that the purely negative attitude displayed by the general boycott will give way to co-operation in an endeavour to give the new constitution an auspicious inauguration.

In this connection the committee refers to the political situation in Burma when the committee's report was written. The movements of political opinion in Burma were only visible as uncertain phenomena on a distant horizon, but owing to the rapid movement of events in India the political awakening of Burma is not only a fact of profound significance but it has come about with astonishing rapidity and its influence is nowhere more clearly shown than in the successive modifications which constitutional proposals of the local Government have undergone since 1916 when Sir Harcourt Butler set up a committee to enquire into the reforms of the Legislative Council. The least important factor, more-



over, in the ripening of Burmese opinion has been the constitutional progress of India. The politically minded Burman, while loth to accept any Indian model, watched the incubation of Indian reforms with a not unpardonable jealousy, and when he saw from afar the inauguration of the new legislatures at Delhi and elsewhere in February 1921 by H.R.H. the Duke of Connaught, his national pride suffered a shock at the exclusion of his own province. The influence of Indian affairs did not, however, stop there. Certain decisions regarding the electoral and representative parts of the new Indian constitution appeared in his eyes to be influenced by considerations which hardly applied to Burma. On this point, most of our Burmese witnesses, says the report, have been at pains to lay some stress, and it will be seen from our electoral recommendations that we attach weight to their opinion. On other aspects of constitutional reform, there has been no small amount of controversy. The relative merits of Dyarchy and Home Rule have been canvassed in a manner which shows an ever spreading interest in politics, but which also suggests that even the politically minded Burman regards the former as the enemy of the latter, and has according to the committee, not fully understood either the principle of Dyarchy or its present operation in India, where developments of great significance are in progress.

The report next quotes paragraphs from the resolution of the local Government dated 17th December 1918 and 2nd June 1919 wherein the local Government emphasise that Burma undoubtedly offered a more promising field for Self-Government than did India. The passage of time, the report observes, has only increased the relevance and force of these arguments for the promise Burma gave for representative institutions.

Chapter third deals with the question of franchise. After full consideration the Committee unanimously feel that land revenue should not be the basis of franchise in Burma, because of the enormous difficulties involved. The system of assessment in Burma is widely different from that prevailing in India and any attempt to prepare an electoral roll on a minimum land revenue basis would be comparatively impermanent, because transfers of lands in Burma are very frequent. The general rural franchise recommended by the Committee is: (1) for Upper Burma--the payment of *thathamedu* which will yield an electorate practically based on household suffrage, (2) for Lower Burma--the payment of a married rate of capitation as the principal qualification. The capitation tax is virtually a poll-tax levied on individuals at the general rate of rupees 2.3 for an unmarried man for the eight towns in which urban franchise will be exercised. The adoption of the existing municipal



qualification is recommended as the basis of the electoral roll so that there should be added those who pay a minimum amount of four rupees in yearly rates and taxes (including capitation tax and land rate in lieu of capitation tax) either in a municipality or a notified area or a cantonment with the further alternative qualifications of (a) a minimum value of immoveable property either in a municipality or a notified area or a cantonment of Rs. 200, (b) a minimum amount of Rs. 5 paid as monthly rental either in a municipality or a notified area or a cantonment or (c) a minimum rental value of Rs. 5 of the residences of employees living rent free in employers' houses either in a municipality or notified area or a cantonment, both in rural and urban areas. All retired, pensioned or discharged officers, non-commissioned officers or soldiers of His Majesty's regular forces should be qualified as electors. The report touching female suffrage says that there should be no disqualification on the ground of sex, because, payment of *thathem-da* being the basis of electoral qualification, any woman who is the head of a household in Upper Burma and pays *thathameda* is entitled to vote. The Committee suggests no test of literacy. Plumping in the plural member constituencies is not permitted by the Committee. The draft electoral roll for the Legislative Council is recommended to be the same as drawn up by the local Government for the rural Self-Government Act. The Committee estimates the rural electorate at about fifteen lakhs but cannot give an approximate estimate of the urban electorate. The minimum age of a candidate for election should be 25 years, but no residential qualification is imposed.

#### Constituencies

Chapter fourth deals with constituencies and the constitution of the Council. The Committee says, however much in theory it was unanimous that communal electorates are undesirable, they had to give way to fact and in the face of the evidence have recommended certain special measures for minority representation. Proportional representation is considered as impossible at present, but it is opined that in any further constitutional development proportional representation will probably offer the most satisfactory manner of securing representation. The Committee have recommended communal representation for European and Anglo-Indian communities and reservation of special seats in certain plural member constituencies for Indian and Karen communities.

Touching the question of constituencies, the Committee recommend that nineteen districts be represented by two members each. In five out of them (Amherst, Bassien, Maubin, Myaungmya and Thaton) the second seat will be reserved for the Karen community. The following remaining twelve districts will be represented by one



member each :—Insein, Katha, Kyaukpau, Kyaukse, Mandalay, Mergui, Minbu, Prome, Pyapon, Sandoway, Tavoy and Thayetmyo.

Continuing the Committee states :— "We consider that this allotment represents satisfactorily the relative interests of Upper and Lower Burma and sufficiently corresponds to the population ratio of the different districts. We propose to confine urban representation to the following 8 towns which have more than 20,000 inhabitants :—Rangoon (of which 4 are reserved for Burman candidates, three Indian candidates and one seat is left open) 8 ; Mandalay (2 reserved for Burmans and 1 for an Indian) 3 ; Moulmein (1 Burman and 1 Indian) 2 ; Bassein (1 Burman and 1 Indian) 2 ; Akyab (one Burman and one Indian) 2 ; Henzada 1 ; Prome 1 ; Tavoy 1. The nominated members of the Legislative Council will consist of 12 officials, to be chosen by the Local Government, which seems to us to be the irreducible minimum; 8 non-officials, among whom will be found representatives of the backward tracts and one representative for Indian commerce; in the first instance, 2 members of the Executive Council and the President, making the total number of members for the Legislative Council 101, not including two experts provided for in the Government of India Act. The composition of the Legislative Council will then be : elected urban members 20, rural members 50, Burma Chamber of Commerce 2, Burmese Chamber of Commerce 1, Chinese Chamber of Commerce 1, Rangoon University 1, Rangoon Trades Association 1, European 1, Anglo-Indian 1, total 78 ; nominated officials 12, non-officials 8, Executive Council 2, President 1, total—101.

#### Areas Excluded from Franchise

Dealing with the question of excluded areas, the Committee accept the proposals of the local government in their entirety, the effect of which will be that the Shan States and the areas to which the Kachin Hill Tribes Regulation, 1895, Chin Hill Regulations, 1896, and Arakan Hill District Laws Regulation, 1916, apply should be excluded. The Committee is satisfied that the difficulties of holding elections in them are almost insuperable and that their inhabitants are not politically advanced. They therefore recommend that, while these areas should not be excluded from the scope of the Government of India Act, the franchise should for the present not be extended to them.

#### Division of Functions

Turning to the division of functions the Committee accept the proposals of the local government contained in their note of October 25th 1921 regarding the political changes. They affirm that the transfer of these subjects to the provincial list should take place at



soon as necessary adjustments have been made. All these proposals would entail an enquiry into financial considerations which are inseparable from them. The Committee suggest that the local government should be entrusted with fuller powers in dealing with the question of rice control and recommend the transfer of (1) salt, (2) forests, (3) European and Anglo-Indian education, (4) regulation of betting and gambling, (5) prevention of cruelty to animals, (6) protection of wild birds and animals, (7) control of dramatic performances and cinematograph to the list of provincial subjects in addition to those already recommended by the local government. The Committee does not agree with the suggestion to exclude the Port of Rangoon from the list of major ports. The Rangoon Development Trust is mainly concerned with the management and development of the Government estates in Rangoon and should be treated as a reserved subject.

#### Representatives in Indian Legislature

Finally, the Committee recommend that the number of representatives for Burma to the Indian Legislature should remain unchanged and do not agree with Mr. Ginwala that the elected members from Burma on the Legislative Assembly should be considerably increased. Continuing the Committee states:—"For the Council of State we recommend that the existing classes of electors remain unchanged, but that the minimum qualification on the basis of land revenue payment should be Rs. 1000 and the minimum income-tax qualification Rs. 3090 instead of Rs. 3000. In the case of the Legislative Assembly we accept the arguments on which the decision to adopt the direct election of Indian members to the Legislature was based. The present indirect franchise in Burma was never regarded as more than a stop-gap and we consider that it should not be retained. In its place we propose that the following qualifications be adopted :—

(A) Payment in the previous year of land-revenue of an amount not less than Rs. 100 for Lower Burma and Rs. 50 for Upper Burma.

(B) Assessment in the previous year to income tax.

(C) The payment in Upper Burma in the previous year of *thathameda* not less than Rs.25.

(D) Being qualified as an elector for the Burma constituency of the Council of State.

"It will be seen that we have adopted as the primary basis of the franchise the payment of minimum amount in land-revenue. We have already put forward strong arguments against the adoption of this basis for the wider franchise for the provincial Legislative Council. These arguments are not applicable in anything like the same degree to the present proposal and we anticipate little difficulty



in the preparation of the electoral roll on this basis for the Legislative Assembly. Moreover, if we had excluded payment of land revenue as one of the basis of franchise for the Legislative Assembly, we should have excluded from the roll a large number of residents in rural districts engaged in agriculture who on broad political grounds are entitled to the franchise. We have adopted *thathameda* in Upper Burma, because, with the exception of Mandalay and Maymyo, income-tax is not there levied and we consider it is necessary to enfranchise certain classes of house-holders, who if they had lived in other areas, would probably have been included in the income tax assessment. If these recommendations are adopted we would prescribe the same qualifications for the electorate for the Burma European constituency for which assessment to income-tax is at present the same qualification."

The following are the views of the Government of India on the Whyte Committee Report.

The Government of India sent on the 31st March 1922 a lengthy despatch to the Secretary of State expressing their views on the proposals of the Burma Reforms Committee. The Government of India disagreeing with both the Committee and the Burma Government recommend that the area which the Committee propose to exclude entirely from any constituencies, even though the areas are not backward tracts, should be included in appropriate constituencies. On the question of women's franchise the recommendation of the Committee has been accepted and the Governor is given discretion to accept or not the recommendation of the Legislative Council removing female disqualification regarding eligibility for election.

In case of cumulative votes the Government of India rejects the opinion of the Committee and accepts the view of Local Government which favours plumping in plural constituencies.

In the case of representation of the Karen community the idea of communal representation on the basis of division rather than reserved seats is favoured, but in the case of Indian representation the view of the Committee is adopted in preference to the view of the local Government. Sir William Vincent, however, dissents from the view of the majority of his colleagues and considers the method of reserved seats as unsuitable for adoption for Indians in urban constituencies as for Karen's in rural constituencies.

Regarding franchise the despatch accepts the Committee's proposals generally for the qualifications. The Government of India further considers that immigrants of agricultural and labouring classes should not be enfranchised as they have no stake in the province. The despatch discusses in detail the effects of the fran-



chise and concludes that entry on the capitation tax roll should qualify for a vote whether a man pays married rate or not. The Government of India further accept the assessment to income-tax as a qualification for vote which will mainly affect women, and they consider the payment of twenty rupees land revenue as minimum qualification under that. The despatch agrees with the Committee and the Local Government that the residential qualification is not necessary for candidature for rural constituency and accepts the Committee's proposals regarding the distribution of seats in urban and rural constituencies with certain modification with reference to European representation. The Government of India propose increasing the number suggested by the Committee from one to three regarding special constituencies and representation of special interests by nomination. The Government of India do not consider seats for backward tracts necessary. They propose representation for mining and planting industries and labouring classes. The despatch proposes additional five members of the Legislative Assembly who would be nominated by the Governor in any way he thought proper. The Government of India accept the Committee's proposal regarding electoral rules for the Assembly and Council of State. In conclusion the despatch refers to the need for prompt action in order to get the elections held next October and trusts that the Secretary of State will be able to accord sanction to Government of India's proposals at an early date.

**The following are the views of the Government of Burma on the Whyte Committee Report.**

The Burma Government in a letter to the Government of India dated the 21st December, 1921 expressed their disagreement with some of the Committee's recommendations. It opposes the recommendation that an elector having two or more votes should not be permitted to give more than one to any candidate. The proposal for special representation of Indian and Karen Communities by reservation of seats in general constituencies does not find favour with the Local Government who advocate communal electorates constituted on lines on which the Committee has recommended reservation of seats for the two communities. The Local Government would give Indians 7 and Karens 5 seats by communal electorate and would raise the membership of Legislative Council to 103 of whom 80 shall be elected.

On the question of division of functions, the Local Government stresses at length the advisability from an administrative point of view of the transfer of forests to the popular Minister, but for the sake of the political advantage of the moment they acquiesce in the



view of the Committee for the transfer of both forests and European and Anglo-Indian education to Ministers.

**The following is a summary of the Report of the Parliamentary Standing Joint Committee on the Draft Burma Rules.**

The draft Burma Electoral Rules as approved by the Joint Committee on Indian affairs have, as far as possible, been framed on the lines of those in Indian provinces. The rules provide for a Legislative Council of the Government of Burma of 103 members consisting of members of the Executive Council, *ex officio*, 79 elected members and such number of members nominated by Government as with the addition of the members of the Executive Council shall amount to 24. Of the members so nominated not more than fourteen may be officials and two shall be persons nominated to represent respectively Indian Commerce and labouring classes.

The qualification of an elector of an urban constituency as approved by the Joint Committee is that he should have (1) a place of residence in the constituency or within two miles of the boundary thereof and who (2) possesses immovable property in the constituency of the value of not less than Rs 200, or (b) has paid during and in respect of previous financial years municipal taxes or Cantonment taxes which together with any capitation tax or land rate in lieu of capitation tax paid by him in respect of previous agricultural year amount to not less than Rs. 4, or (c) is the occupier of a house or building in the constituency of which the rental value is not less than Rs. 60 per annum whether rent is paid by a house belonging to his employer on his behalf, or (2) has a place of residence in the constituency and possess any of the qualifications prescribed for an elector of a rural constituency.

The qualifications for rural constituencies are that an elector has a place of residence in the constituency and (a) has been entered in the capitation tax assessment roll as liable to pay a capitation tax of not less than Rs. 5, or in the *thathameda* tax assessment roll of the previous agricultural year and has not been exempted from payment of capitation tax or *thathameda* tax, as the case may be, on the ground of poverty or of being an immigrant from a country outside Burma, or (b) has paid during and in respect of previous agricultural or financial year, a tax on circumstances and property under Section 26 of the Burma Rural Self-Government Act of 1921 or (c) has paid during and in respect of previous agricultural year, a land revenue of not less than Rs. 5, or (d) was in the previous financial year assessed to income-tax, or (e) in case of a person possessing a place of residence within the municipalities of Toungoo, Kyaukpypu or Thayotmyo, possess qualification prescribed for urban



constituency, or (f) is a retired officer or soldier of His Majesty's regular forces.

### The Draft Burma Electoral Rules

Paras 1 and 2:—Brief explanation of the subject matter of inquiry.

Para 3:—Rules as drafted by the Government of India carry out in the main the proposals of the Whyte Committee and Local Government with certain modifications proposed by the Government of India on the advice of the Secretary of State in Council.

The Committee have decided in nearly every case to accept the proposals of the Local Government in preference to those modifications. They recognise the care with which the Government of India have examined the case and the fact that the adoption of modifications proposed by the Government of India would probably have resulted in a theoretically more perfect scheme, but they were impressed with the importance of adhering as closely as possible to the advice of the committee entrusted with special investigation and of the authority which will be responsible for the successful working of the scheme and has full knowledge of local conditions.

Para 4:—Changes made by the Committee are embodied in the rules as presented to Parliament and the report does not specify them in detail. Observations are confined to a few points of outstanding importance.

Para 5:—Special representation agreed on by all authorities for Europeans, Anglo-Indians, Indians and Karens. The Committee endorse this decision. Sub-para 1:—European representation confined to one seat in view of the unanimous recommendation of the Whyte Committee and of the fact that non-official Europeans are represented by other seats. Sub-para 2:—Indians and Karens:—Some members of the Committee would have preferred the expedient of reserved seats as likely to stereotype the principle of separate representation of communities which the Committee as a whole agree in regarding as a necessity even if a temporary expedient, but the Committee have decided that in all the circumstances the preferable solution is provision of 5 separate communal seats for Indians and 5 for Karens in 5 towns and 5 rural areas respectively. Total communal seats number 15 (including European and Anglo-Indian) out of 79 elected, thus making special provision for Karens and Indians to the extent mentioned in places where these form a considerable proportion of the population. Elsewhere Indians and Karens will be eligible as voters and candidates with the rest of the population, and Europeans will be eligible as candidates in general constituencies.



Para 6 :—The Committee endorse the rules as drafted regarding the eligibility of women to vote and stand for election. The arrangement is an advance on that in other provinces, but the Committee see no ground for dissenting in view of the undoubted fact that the position of women in Burma differs materially from that of Indian women.

Para 7 :—Rules as drafted contain provision giving power to Local Government to split up into single member constituencies certain named plural member constituencies. The Committee think an advantage might result from making this power applicable to any plural member constituency, and commend the suggestion to the Parliament.

Para 8 :—The Committee do not propose transfer of forests but in view of the support it has received, they accept it with some misgivings and record their sense of the heavy responsibilities which Ministers will assume in view of the extreme importance of forests of Burma to the general prosperity of the province.

Para 9 :—The Committee point out that it will be the business of the Parliamentary Commission provided for in the Government of India Act to review exhaustively the evidence of success or failure in the working of the Act, and make recommendation accordingly.

Para 10 :—The Report concludes with the hope that no avoidable delay will occur in securing the approval of Parliament to the draft rules.

[For the Debate in the House of Commons on these rules presented on the 21st June 1922, see p. 208(xxi)]

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## The Revised Indian Civil Service Regulations

The Provisional Regulations for admission to the Indian Civil Service by an annual competitive examination in India, which were published on 19th December 1920 (see *I. A. R. 1921* part II, p. 247) have now been superseded by new Regulations made by the Secretary of State in Council. These regulations were published on April 21, 1922 and are liable to alteration from year to year :—

(1) A competitive examination for admission to the Indian Civil Service shall be held annually in India in the months of February and March or at such other time as the Governor-General in Council may direct.

(2) The maximum number of candidates to be admitted to the examination shall be 200.

(3) Of the candidates to be admitted the number to be drawn from each area are specified below. Such number is hereinafter referred to as "Provincial Quota"; Assam—5; Bengal—33; Behar and Orissa—22; Bombay—25; Burma—15; Central Provinces—12; Madras and Coorg—33; Punjab, N. W. F. Province and Delhi—25; and United Provinces and Ajmere-Merwara—30.

(4) The Local Government of every Governor's Province and of the Province of Burma shall appoint a committee to be called the "Quota Committee," the majority of the members of which shall be non-officials. Each Quota Committee shall select the Provincial Quota for the area comprising the Province by the Local Government of which the Committee is appointed, from among such of the persons applying for admission to the examination from that area as possess the qualifications hereinafter prescribed. The selection or rejection of an applicant by the Quota Committee shall be final. Provided nevertheless, that the Local Government may remove from the Quota a candidate who is reported by a Medical Board to be physically unfit for appointment to the Indian Civil Service.

(5) The Local Government of Madras and of the United Provinces shall be responsible for the due representation of Coorg and Ajmere-Merwara, respectively, on the Quota Committees appointed by them, and the Local Government of the Punjab shall, in like manner, be responsible for the due representation of the North-West Frontier Province and Delhi.



(6) A person desiring to be admitted to the examination shall apply, before such date as the Governor-General of India in Council may prescribe, to the Quota Committee for the area in which his parents reside at the time of application, or have previously resided for a period of not less than three years, or in which he has himself resided otherwise than as a student at a University only for a like period. Provided that application shall not be made to more than one such Quota Committee. Provided, further, that persons resident in State in India shall apply through their Durbars to the Quota Committee for the area comprising the province in which they wish to serve and that, for the purposes of Rule 3, such persons shall, if selected by the Quota Committee, constitute a part of the Provincial Quota for such area.

(7) Application shall be made at such time and in such manner as the Governor-General in Council may prescribe.

(8) A candidate must be either a British Subject, or a Ruler or Subject of a State in India in respect of whom the Governor-General in Council has made a declaration under Section 96—A. of the Government of India Act. If a candidate (being a British Subject), or his father, or his mother was not born within His Majesty's Dominions and allegiance, the father must at the time of the candidate's birth have been a British Subject or Subject of a State in India, and, if alive must be, or if dead, must have continued to be until his death, a British Subject or a Subject of such State.

(9) A candidate must have attained the age of 21 and must not have attained the age of 23 on the first day of August in the year in which the examination is held, or be in a position to claim such a concession under the provisions of the Appendix to these Regulations as will render him eligible.

(10) A candidate must be free from disease, constitutional affection or bodily infirmity unfitting him, or likely to unfit him, for the Indian Civil Service.

(11) A candidate must be of good moral character.

(12) A candidate must hold the degree of B.A., or B.Sc., of a University incorporated by law in British India, or of the Mysore University, or the Senior Diploma of the Mayo College, Ajmer.

(13) No candidate shall be admitted to the examination unless he holds a certificate of selection by a Quota Committee.

(14) Any attempt on the part of a candidate to enlist support for his application through persons of influence will disqualify for appointment. Spontaneous recommendations from persons who are not themselves acquainted with a candidate's work at school or at a University, or otherwise, will be disregarded.

(15) A candidate will pay a fee of Rs. 5 with his application



form, and a candidate chosen for admission to the examination will pay a further fee of Rs. 100.

[The regulations then give in detail the subjects for examination.]

A list of competitors shall be made out in order of their proficiency as disclosed by the aggregate marks finally awarded to each competitor, and in that order, so many competitors up to the determined number of appointments as are found by the Civil Service Commissioners to be qualified by examination, shall be designated to be Selected Candidates for the Indian Civil Service, provided that the Governor-General of India in Council is satisfied that they are duly qualified in other respects. Should any Selected Candidate become disqualified, the Secretary of State for India will determine whether the vacancy thus created shall be filled or not. In the former case the candidate next in order of merit, and in other respects duly qualified shall be deemed to be a Selected Candidate. Selected Candidates will be on probation for two years in the United Kingdom.

#### Selected Candidates on Probation

Candidates selected at the open competition held in London will be required to remain in the United Kingdom on probation for one or two years, as may be decided by the Secretary of State for India in Council. Candidates selected at the competitive examination held in India will be required to proceed to the United Kingdom on probation for a period of two years.

**ONE YEAR PROBATIONERS.**—One year probationers will, at the end of the year of probation, undergo an examination called the Final Examination on Indian Criminal Law, Indian History, the vernacular of the Province, and Riding.

An Indian assigned to Madras, whose mother tongue is one of the two principal vernacular language of the Province, must offer the other for examination. An Indian assigned elsewhere, whose mother tongue is the principal vernacular language of the Province to which he is assigned, must substitute British History (1760-1914) in place of the Vernacular Language.

**TWO YEAR PROBATIONERS.**—will during their period of probation undergo two examinations, the Intermediate Examination at the end of the first year and the Final Examination at the end of the second year. The subjects of the Intermediate Examination are the Principal Vernacular Language of the Province, Jurisprudence, Law of Evidence and Criminal Law, Indian History, Notes of Cases, and Economics.

The Selected Candidates whose performance in the compulsory subjects of the prescribed examinations, namely, the Final Examination for one year men and the intermediate and Final Examinations for two year men, is such as to satisfy the Civil Service Commissioners, and who have also satisfied the Commissioners of their eligibility in respect of nationality, age, health, character and conduct during the period of probation, shall be certified by the Commissioners to be entitled to be appointed to the Indian Civil Service, provided that they shall comply with the regulations in force at the time for that Service.

If any Candidate is prevented by sickness or any other adequate cause from attending the Final Examination, the Commissioners may, with the concurrence of the Secretary of State of India in Council, allow him to appear at



the Final Examination to be held in the following year or at a special examination. A Selected Candidate absent for such adequate cause from the Intermediate Examination may under similar conditions be allowed to appear at the Intermediate Examination a year later, or at a special examination, or may be excused the Intermediate examination and allowed to appear for the Final Examination in the regular course.

The above regulations will be the first regulations issued for the probation and the Intermediate and Final Examinations of Selected Candidates recruited by competitive examinations held in India, and will also take the place of Sections 16 to 27 of the Regulations previously made by the Secretary of State for India in Council for the examination of candidates for the Indian Civil Service at the open competition held annually in the United Kingdom.

### Sanction of the Sec. of State for new Posts etc.

The Secretary of State for India in Council has made new rules superseding all existing rules under which certain classes of expenditure from central and provincial revenues may not be sanctioned by the Government of India or Provincial Governments, without the previous consent of the Secretary of State in Council. These were published on October 6th, 1922. In the case of the Government of India, the sanction of the Secretary of State in Council is necessary :—

(1) To the creation of any new or the abolition of any existing permanent post, or to the increase or reduction of the pay drawn by the incumbent of any permanent post, if the post in their case is one which would ordinarily be held by a member of one of the services named in the Schedule, or to the increase or reduction of the cadre of any of those services. (2) To creation of a permanent post on a maximum rate of pay exceeding Rs. 1,200 a month, or the increase of the maximum pay of a sanctioned permanent post to an amount exceeding Rs. 1,200 a month. (3) To the creation of a temporary post on pay exceeding Rs. 4,000 a month, or the extension beyond a period of two years (or in the case of a post for settlement operations, of five years) of a temporary post or deputation on pay exceeding Rs. 1,200 a month. (4) To the grant to any Government servant, or to the family or other dependents of any deceased Government servant, of an allowance, pension or gratuity which is not admissible under the rules made or for the time being in force under section 96-B of the Government of India Act, except in the following cases :—(a) Compassionate gratuities to the families of Government servants left in indigent circumstances, subject to such annual limit as the Secretary of State in Council may prescribe, and (b) pensions or gratuities to Government servants wounded or otherwise injured while employed in Government service, or to the families of Government servants dying as the result of wounds or injuries sustained while employed in such service, granted in accordance with such rules



as have been or may be laid down by the Secretary of State in Council in this behalf. (5) To any expenditure on the purchase of imported stores or stationery, otherwise than in accordance with such rules as may be made in this behalf by the Secretary of State in Council. (6) To any expenditure otherwise than in accordance with such rules as have been or may be laid down in this behalf by the Secretary of State in Council upon (A) the erection, alteration, furnishing or equipment of a church, or a grant-in-aid towards the erection, alteration, furnishing or equipment of a church not wholly constructed out of public funds, or (B) the provision of additions to the list of special saloon and inspection of railway carriages reserved for the use of high officials, or (C) the staff household and contract allowances, or the residences and furniture provided for the Governor-General or railway and military services.

#### The Schedule

Indian Civil Service, Indian Police Service, Indian Forest Service, Indian Educational Service, Indian Agricultural Service, Indian Service of Engineers, the Imperial Branch of the Civil Veterinary Department, Indian Medical Service, Imperial Customs Service, Indian Audit and Accounts Service, Superintendents and Class I of the Survey of India Department, the Superior Staff of the Geological Survey of India Department, the Superior Telegraph Department, the State Railway Engineering Service, the Superior Staff of the Assam Department, the Archaeological Department and any other service declared by the Secretary of State in Council to be included in this schedule.

#### Provincial Governments

In the case of Provincial Governments the previous sanction of the Secretary of State in Council would be required :

(1) To the creation of any new or the abolition of any existing permanent post, or to the increase or reduction of the pay drawn by the incumbent of any permanent post, if the post in either case is one which would ordinarily be held by a member of an All-India Service, or to the increase or reduction of the cadre of an All-India Service. (2) To the creation of a permanent post on a maximum rate of pay exceeding Rs. 1,200 a month, or the increase of the maximum pay of a sanctioned permanent post to an amount exceeding Rs. 1,200 a month. (3) To the creation of a temporary post on pay exceeding Rs. 4,000 a month, or the extension beyond a period of two years (or in settlement operations of five years) of a temporary post or deputation on pay exceeding Rs. 1,200 a month. (4) To the grant to any Government or to the family of any deceased Govt. servant of an allowance, pension or gratuity which is not admissible under rules made, or for the time being in force under Section 96-B of the Govt. of



India Act, except in the following cases :—(*Same as 4 (a) & (b) above*)

(5) Any expenditure on the purchase of imported stores or stationery otherwise than in accordance with such rules as may be made in this behalf by the Secretary of State in Council. (6) Capital expenditure upon irrigation and navigation works, including docks and harbours, and upon projects for drainage, embankment and water storage, and the utilization of water-power in any of the following cases, namely : (A) where the project concerned materially affects the interests of more than one local Government, (B) where the original estimate exceeds 50 lakhs of rupees ; (C) where a revised estimate exceeds by 15 per cent. an original estimate sanctioned by the Secretary of State in Council, and (D) where a further revised estimate is proposed after one revised estimate has already been sanctioned by the Secretary of State in Council. (7) A revision of permanent establishment, involving additional establishment charges exceeding Rs. 5 lakhs a year, provided that if a resolution has been passed by the Legislative Council recommending an increase of establishment charges for this purpose, the sanction of the Secretary of State in Council shall not be required unless the expenditure so recommended exceeds 15 lakhs a year. (8) Any increase of the contract, sumptuary or furniture grant of a Governor. (9) Expenditure upon original works on the residences of a Governor, exceeding Rs. 50,000 in any year. The Governor-General in Council shall, if necessary, decide whether a charge falls under the head of original works. (10) Any expenditure upon railway carriages or water borne vessels specially reserved for the use of high officials, otherwise than in connection with the maintenance of such carriages or vessels already set apart with the sanction of the Secretary of State in Council for the exclusive use of a Governor.

(1) Every application for the sanction of the Secretary of State in Council required by rule 1 shall be addressed to the Governor-General in Council who shall, save as hereinafter provided, forward the same with his recommendations, and with such further explanations of the proposal as he may have seen fit to require from the Local Government to the Secretary of State in Council.

(2) If the application relates : (A) to the grant in an individual case of any increase in pay or (B) to the creation or extension of a temporary post, the Governor-General in Council may, at his discretion, on behalf of the Sec. of State in Council sanction the proposal, or may, and if he dissents from the proposal shall, forward the application with his recommendations and with such further explanations of the proposal as he may have seen fit to require from the Local Government for the orders of the Sec. of State in Council.



# Correspondence between Whitehall and Simla on The Central and Provincial Finances

Despatch of the Govt. of India to the Secretary of State, dated, Simla, 13th July 1922, on Financial contribution and adjustment between the Central and Provincial Governments in India.

*To the Rt. Hon. the Sec. of State for India*

MY LORD,

As your Lordship is aware, a conference was held at Simla in April last with the Finance Members and other financial authorities of the Provincial Governments in order to consider various matters connected with the financial arrangements between the central Government and the provinces. We now have the honour to submit a report on the more important matters discussed at the conference; you will be addressed separately, if necessary, regarding certain other subjects which the conference gave an opportunity of discussing with the provincial representatives.

Before setting forth the conclusions reached in the conference on the matters with which this dispatch deals, and our own views thereon, we invite our attention to the enclosed statements (not published) which set forth the present financial position of each province as ascertained at the conference. Summarised briefly, the position is as follows :—

## Financial Position of Various Provinces.

The statement for Madras shows a deficit in the current year's budget of 42 lakhs, with a closing balance (apart from the Famine Insurance Fund) of only Rs. 15,000. This province has had deficits four years in succession and the chief cause of this is stated to be the necessity for increasing the pay of the enormous subordinate staff which is required to maintain its very detailed system of administration. The provincial Government, while urging us to reduce the large contribution payable by them to central revenues, have nevertheless faced the position with resolution and have taken active steps to reduce expenditure. They have recently abolished 60 gazetted posts and about 12,500 other posts including the subordinate staff maintained in villages. The Land Records department has been abolished, the Labour department reduced to one officer, travelling allowances have been reduced by 10 lakhs and the programmes for education, sanitation and public works have been seriously curtailed, the Public Works department, in particular,



having been reduced by one superintending engineer, seven executive engineers and twenty-one sub-divisional officers. The Government of Madras are further contemplating the abandonment of minor forest reserves, the replacing of stipendiaries by honorary magistrates, the trial of civil suits in village courts instead of the court of the district munsifs, the doubling up of districts, divisions, and taluks and other measures which, they consider, will seriously affect the efficiency of the administration. The deficit in the current year would have been very much higher had it not been that the provincial Government have taken steps to increase their revenues by Rs. 77 and half lakhs from an increase in stamp duties and registration fees.

In Bombay the budget shows an expenditure of Rs. 50 lakhs in excess of income. The major portion of this deficit is due to the heavy expenditure on the service or debt in connection with the loans for development operations, which, it is anticipated will ultimately be repaid from the sale of developed land. This province also has taken steps to increase its revenues by Rs. 60 lakhs of receipts from higher stamp duties.

The Bengal statement is the only one that shows a revenue surplus in the current year. This province has been able to reach this comparatively satisfactory position owing to the remission of the contribution to the central Government, and to receipts from fresh taxation amounting to Rs. 1,40 lakhs.

The budget of the United Provinces shows a deficit of nearly Rs. 27 lakhs. No additional taxation has been imposed in this province, certain proposals, which the local Government brought forward for the enhancement of the stamp duties, having been rejected by the Legislative Council.

The Panjab budget shows a very heavy deficit of Rs. 1,30 lakhs in the current year, of which only some Rs. 22 lakhs are considered to be abnormal. This province not only has no balance but is expected to end the last financial year with an overdraft of Rs. 90 lakhs. No additional taxation has been imposed in order to cover the large gap between current revenue and current expenditure, but it is understood that proposals are under consideration for the enhancement of stamp duties, court-fees and water-rates.

In Burma there is a deficit of Rs. 1,90 lakhs in the current year, but as Rs. 2,02  $\frac{3}{4}$  lakhs of the expenditure is being financed from the portion of the balance which represents the amount which this province received from the rice control scheme, there is an actual revenue surplus on the year's working of about Rs. 12  $\frac{3}{4}$  lakhs. This province has further a closing balance of about Rs. 3 crores,



The Bihar and Orissa budget shows a deficit of Rs. 51 lakhs in the current year. The local Government have under consideration proposals for increasing court fees, for an increase in irrigation rates and a cess on coal loaded at collieries. No legislation has yet been passed, but the local Government have raised the registration fees since the budget was passed.

The Central Provinces budget shows a deficit of nearly Rs. 37 lakhs, but the estimates of revenue are abnormally high including, as they do, Rs. 34 lakhs of suspended revenue of previous years, and the normal revenue deficit is put roughly at about Rs. 50 lakhs. No measures for additional taxation have yet been passed in this province, but the local Government have under consideration proposals for increases in court fees, registration fees, and stamp duties, which it is estimated might bring in about Rs. 19 lakhs.

The Assam budget shows a deficit of Rs. 14 lakhs after allowing for additional revenue of some Rs. 3 lakhs from enhancement of stamp duties. The only further proposal at present under consideration of the local Government for raising additional revenue is the revision of registration fees.

3. It will be seen therefore that every province, with the exception of Bengal and Burma, is at present working on a deficit, that steps have been taken by the Governments of Madras, Bombay, Bengal and to a certain extent, by Bihar and Orissa and Assam to raise additional revenue by increases of taxation, but that in the United Provinces, the Punjab, Burma, and the Central Provinces no additional taxation has yet been imposed.

Not only are the majority of the provinces at present working on a deficit but they also contemplate very considerable capital expenditure to be financed from loan funds.

#### Local Gov'ts. Contemplating Capital Expenditure

The Government of Madras propose to undertake remunerative capital projects (mainly irrigation) in the next five years, involving a capital expenditure of about Rs. 4 crores; they have also in contemplation expenditure amounting approximately to Rs. 4 crores for unremunerative capital projects chiefly in connection with buildings and roads; and they further anticipate that the local bodies in the presidency will require for their own purposes loan aggregating Rupees seven and half crores. The total amount of loans which they themselves require or for the financing of which they will be responsible is approximately Rs. 15 crores in the next five years.

The Government of Bombay have a programme of capital expenditure on the Sukkur Barrage and protective irrigation works which would require a provision of about Rs. 14 crores within the



next five years, they also anticipate that they will require in connection with the Bombay Development Scheme, loans to local bodies, etc., (according to present information) about Rs. 25 crores in the next five years.

The Government of Bengal took a loan of Rs. 50 lakhs from the central Government last year and propose to take another loan of Rs. 50 lakhs in the current year on account of dredgers which have already been ordered through the High Commissioner. In their future capital expenditure they consider the most urgent item to be the Howrah Bridge, the total cost of which is put at not less than Rs. 3 & 1/2 crores. Towards this project the Calcutta Corporation and other local bodies will be required to contribute, but a loan has to be raised initially by the Bengal Government. They are also considering the question whether the Grand Trunk Canal scheme which is estimated to cost about Rupees three and half crores will be remunerative. If it is not remunerative, the project will be dropped. The local Government also wish to take loans for general schemes of development amounting about Rs. 4 crores. They put their minimum requirements for the next five years at Rupees seven and half crores, *viz.*, Rupees three and half crores for the Howrah Bridge and about Rs. 4 crores for general provincial schemes, but their maximum requirements might involve an additional Rs. 2 crores for general provincial schemes and Rupees three and half crores for the Grand Trunk Canal scheme if it can be worked on a remunerative basis.

The United Provinces Government have already raised a loan of Rs. 4 crores, and in the current year they are drawing upon their balances to the extent of Rs. 193 lakhs. They contemplate that they will require no further loan until 1923, but that within the next five years they will have to raise further loan amounting to Rs. 10 crores for the purpose of financing irrigation schemes and schemes for the improvement of communications and sanitation, for capital outlay on the development of forests and for large building programmes, the average annual requirements from 1923 onwards being put at Rs. 2 crores.

The Punjab Government have under contemplation large schemes—mainly irrigation and hydro-electric projects—involving a total expenditure of about Rs. 47 crores in the next 20 years, the average annual amount required from loans being put at about Rs. 3 crores per annum during the next five years. These schemes include the Sutlej valley irrigation projects and the Sutlej river hydro-electric scheme.

The Governments of Bihar and Orissa, the Central Provinces and Assam have no schemes of sufficient magnitude to be taken



into consideration in this connection while Burma is still in a position to finance its immediate capital requirements from the balance of rice profits. The total requirements of the provinces for capital projects within the next five years may, therefore, be put at approximately Rs. 18 crores per annum.

**Action Must Speedily be taken to Improve Position.**

It is obvious from the above review of the financial position and financial requirements of the provinces that action must speedily be taken to improve their financial position if they are to carry on their administration on the present scale and to undertake any of the improvements and schemes which they have in view. We recognize that the gradual reduction and final abolition of the provincial contributions would materially improve the financial position of most provinces. Our hon. colleague Sir Malcolm Hailey impressed, however, upon the provincial representatives that, while we recognized the seriousness of the financial position of most provinces, it would be impracticable for us to give them any relief in the near future from this source. We think, indeed, that the provinces are now fully seized of the difficulties of our own position and of the fact that, inspite of large increases in taxation imposed in our last two budgets and of the economies in expenditure already effected and, we may hope, likely to result from the appointment of Lord Incheape's Committee, equilibrium between revenue and expenditure in the central budget is not yet attained and that until that position has been reached, a reduction of the provincial contributions cannot be looked for. As we have already stated, several provincial Governments have taken steps to enhance the rates and taxes which have been assigned to the provinces and we consider it of the utmost importance that the remaining provinces, in so far as their deficits will not be covered by the further economies which we understand they are contemplating, should follow suit without delay. for, as your Lordship has pointed out in your telegram of the 28th March 1922 the financing of provincial deficits by advances from the central Govt. is at the best a most unsatisfactory expedient.

As regards the provincial programmes of capital expenditure, it is clear that an attempt to carry these through in full will place an unduly heavy strain upon the borrowing resources of the country as a whole, and the provincial representatives were warned that all-India interest might necessitate the postponement of many of the schemes for expenditure debitable to loan funds which provincial Governments desire to take in hand. We need hardly say that we shall give this aspect of the situation very careful attention when exercising our powers under the borrowing rules.



## *THE WHITE PAPER ON* **Bombay Government's Proposal.**

With a full knowledge of the financial difficulties and of the steps taken to remove them both in the central Government and in each province, the conference proceeded to discuss the situation. Among the first subjects for consideration were certain proposals of the Government of Bombay for a revision of the allocation of revenues between the central Government and the provinces which was fixed by the Devolution Rules on the basis of the recommendations contained in the Montagu-Chelmsford Report and the report of the Financial Relations Committee. In a letter addressed to the Government of India before the conference took place, the local Government pressed for a complete revision of the settlement, to be undertaken after full consultation with the representatives of the provinces. Pending this revision, which the local Government recognised would take time to complete, the Government of Bombay asked for temporary relief by the concession to themselves of one-third of the amount by which the income-tax collected by the central Government in each year exceeded the standard figure of 1920-21. When the conference assembled the Bombay representative put forward a suggestion that a system of divided heads might again be considered, and proposed that the local Government should in future receive half the amount collected as income-tax in the presidency and should cede to the central Government in return one-half of its receipts of land revenue.

The representatives of all the other provinces strongly opposed the entertainment of any idea of reversion to a system of divided heads. We completely identify ourselves with this opposition. The abolition of divided heads was emphasized as a most important feature of the reforms proposals in paragraphs 109 and 200—203 of the Montagu-Chelmsford Report and was accepted as much without further discussion by all authorities concerned. A clear division of revenues between the central and local Governments was the basis of the whole scheme of Reforms, and we consider it axiomatic that, unless such a division is made and entirely separate revenue resources are secured to each Government, there can be no provincial autonomy in any sense of the term.

### **Bengal's Plea for Revision of the Financial Settlement.**

8. The representatives of the other provinces, with the exception of Bengal, evinced strong disapproval of the proposal to revise the financial settlement. While they laid the greatest possible stress upon the necessity for the speedy reduction and abolition of the provincial contributions, they held firmly to the view that the existing financial settlement, as contained in the



Devolution Rules, should be retained intact. They pointed out that the settlement had been made after full enquiry by an impartial committee and had been accepted by Parliament after every province had been allowed to state its views regarding the proposals of the Financial Relations Committee, and they urged that the statutory arrangements so fixed should be rigidly observed. The only difference in the attitude of the Bengal representatives from that of the other provinces was that, while the representatives of other provinces were strongly opposed to any disturbance in the future of the present distribution of revenues between the central and local Governments, the Bengal representatives stated, that the revenues they had obtained under the existing settlement were insufficient to cover the cost of the ordinary administration as it stood at the time of the introduction of reforms, that the relief afforded by the remission of the provincial contribution was inadequate, and that, while they quite realised that in the existing financial position it was impossible for the central Government to afford any further relief at present, they would, when the financial position of the Government of India improved, again raise a claim that some additional source of revenue should be assigned to them.

9. All provincial representatives were further most emphatically of opinion that, since the allocation of revenues between the central and local Governments and the contributions payable by the local Governments had been definitely fixed by statute, no action should be taken by the Secretary of State in Council or by the Government of India for the benefit of any province which would be likely to prejudice the interests of other provinces, without the latter being given an opportunity of commenting thereon before-hand. In particular, the concession to the Bengal Government was cited as one in which action was taken without any previous consultation, the result being, in the opinion of the other provinces, that their interests had been prejudicially affected. All members attending the conference were unanimously of opinion that, should there be any question of disturbing the settlement embodied in the Devolution Rules, no action should be taken in that direction until the proposal had been referred to, and considered by, an impartial committee before which each province should have an opportunity of stating its case.

10 We are in entire agreement with the view expressed by the provincial representatives that no question of altering in any way the present financial settlement should be considered except by an impartial committee and after full discussion with each of the provinces. We further agree with the representatives of all provinces, except Bombay and Bengal, that the present settlement



should be retained intact. We adhere to the view expressed in our first Reforms despatch that it is essential that the financial arrangements between the central and provincial Governments should be free from ambiguity, and we are of opinion that it would be most disastrous to hold out hopes to the province of the possibility of the present financial settlement being disturbed—at all events until the provincial contributions have been abolished. Any such hope would have the effect of encouraging the provincial Legislative Council to sanction new expenditure without undertaking the liability of raising the necessary revenues. Without financial responsibility there can be no responsible Government. We would renew the undertaking, given in the despatch of Lord Chelmsford's Government, No. 296, dated the 24th June, 1920, that we would work our financial policy towards reducing, and ultimately abolishing, the existing financial contributions, but, as stated in that despatch, we can give no undertaking as the definite period within which the contributions will be abolished or as to the pace of reduction. You are aware of our present financial position, of the heavy additions we have made to the rates of taxation from which our central revenues are derived and of the appointment of a Retrenchment Committee to effect the utmost possible reduction in expenditure. As our uncovered deficit amounts to about Rs. 10 crores and provincial contributions to another Rs. 9 and quarter crores, it is obvious that, unless a marked revival in trade results in the narrowing of the present gap between revenue and expenditure, very considerable retrenchment will have to be effected or substantial additional taxation imposed before the provincial contributions can be abolished.

11. Neither can we accept the proposal of the Government of Bombay for a temporary increase of the resources of the local Government by the assignment to it of one-third of the growth of revenue from income tax. We adhere unreservedly to the views as to this source of revenue which were expressed by Lord Chelmsford's Government in paragraph 7 of their despatch No. 296, dated the 24th June, 1920. Moreover, any reduction of the amount of growing revenues at the disposal of the central Government must react upon the provinces generally; and the proposal to make such a reduction, even as a temporary measure, without full consideration of the views of other provinces, is open to the objection set forth in paragraph 9, of this despatch. We therefore recommend that this proposal also should be rejected.

12. If you agree with our conclusions we would ask your permission to publish this despatch and your reply thereto. We have been much impressed by the views expressed by the representatives



of the provinces as to the necessity for the publication of a clear statement on the financial position in order to remove numerous misapprehensions and to indicate clearly to the members of the central and provincial legislatures the nature of their financial responsibilities in their respective spheres.

We have the honour to be,

My Lord,

Your Lordship's most obdt. & humble Servants.

READING.

RAWLINSON.

W. H. VINCENT.

MUHAMMAD SHAFI.

B. N. SARMA.

T. B. SAPRU.

C. A. INNES.

E. M. COOK.

## Secretary of State's Reply

*To H. E. The Governor-General of India in Council*

My Lord,

I have considered in Council your Financial Despatch No. 13, dated the 13th July, 1922, in which you report the result of the conference held at Simla in April last with financial representatives of provincial Governments to discuss various matters arising out of the financial situation in the provinces, and your conclusions thereon. It appears to me that the conference has served a valuable purpose. Issues of great importance to the stability of the central and the local Governments have been carefully explored by officers conversant with the difficulties that at present surround Indian finance. Though complete agreement on all points may not have been attained, it may be hoped that the removal of misunderstandings will result in the cordial co-ordination of the efforts of all concerned in the task of restoring to a sound position the finances of India as a whole.

The financial statements forwarded with your despatch set out the position in the several provinces and justify the serious concern which your Government and I have for some time felt on the subject. The estimated revenue and expenditure of the nine provinces for 1922-23 is as follows :—



## THE WHITE PAPER ON

(Figures in Lakhs of Rupees.)

	Madras.	Bombay.	Bengal.	United Provin- ces.	Punjab.	Burma.	Rihar and Orissa.	Central Provin- ces.	Assam.	Total.	
Revenue (in- cluding new taxation).	16,77 (78)	14,92 (60)	10,56 <sup>a</sup> (140)	13,59	11,38	10,01	4,63	5,35	2,08 (3)	89,29 (281)	
Expenditure	17,19	15,42	10,37	13,86	12,68	9,88*	5,14	5,72	2,23	92,49	
Defic	...	42	50	...	27	1,30	...	51	37	15	3,52
Surplus	...	...	...	19	...	...	13	...	...	...	32

Net deficit (all provinces) 3,20

Equilibrium between current revenue and expenditure is only found in two provinces, Burma and Bengal, and in the latter this result has only been attained by the temporary remission of its contribution to the central Government. The aggregate deficits of the other seven provinces, amounting to 352 lakhs, will be financed by drawing on balances and by loans from the public and the central Government. It may be remarked, however, that the process of financing provincial deficits in part from the accumulated revenue balances of the past will now practically come to an end, as such balances will be generally exhausted by the end of the current financial year.

I share to the full the regret which your Government and the local Governments must feel that the expectations held when the financial settlement was drawn up have been disappointed. It was then hoped that the increased resources placed at the disposal of the provinces as a result of that settlement would assist them in financing large schemes of economic and social development, for which the need is generally recognised. In spite of the nonfulfilment of these hopes it still remains true that the settlement laid down as the result of the Financial Relations Committee's Report has placed at the disposal of local Government considerable sums which would not have accrued to them under the pre-existing arrangements; but so far from being available for meeting new demands, the money, for reasons in the main beyond the control of the authorities, has had to be largely devoted to financing the increased cost of administration, due primarily, to the general rise in prices, from which India is suffering in common with other countries of the world.

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\* Excluding all rice profits figures.



## No Relief Possible From Financial Contributions.

There has, in these circumstances, perhaps not unnaturally, been a tendency in some quarters to assume that the obvious remedy is the immediate remission or reduction of provincial contributions. But such a measure would do nothing towards increasing the aggregate of the resources available for meeting central and provincial expenditure, and so long as the balancing of the central budget has not been achieved, its only effect would be to transfer responsibility for a further deficiency of revenue to the central Government. The imposition in the central Government's budgets of 1921-22 and 1922-23 of additional taxation estimated to produce 23 crores of additional resources (apart from the yield from increased railway and postal charges), leaves a gap which is estimated in paragraph 10 of your despatch about at 10 crores between the Government of India's revenue and expenditure; and the increase of this deficiency by a general reduction of the provincial contributions would not only be highly prejudicial to the interests of your Government, but would also affect the credit of India as a whole to the detriment of the provincial Governments. While no relief is, in the present circumstances, possible for the provinces from this direction, and no pledge can be given as to the period in which reduction or remission will be practicable, I fully endorse your proposal to renew formally the undertaking that you will shape your financial policy towards the reduction and ultimate extinction of the contributions.

It is, of course, impracticable to make a change in this settlement contained in the Devolution Rules approved by Parliament for the purpose of redistributing the resources of the provinces between themselves. I am, therefore, forced to the conclusion in paragraph 10 of your despatch, that the present system as laid down in the Devolution Rules should be maintained. The sole alteration hitherto made, *viz*, that in favour of Bengal, was, as you are aware, only decided on in view of the special recommendation on behalf of that province made by the Joint Select Committee in their report to Parliament on the Devolution Rules before their adoption. For the reasons which I have stated above I am also unable to accept the proposals put forward by the Government of Bombay for the modification of the existing settlement.

## Measures Ought to be Adopted to Increase Revenue.

If the financial stability of the provinces is not to be undermined, with ultimate jeopardy to the Government of India itself, it is impossible to contemplate the continuance of a series of provincial deficits financed by borrowing either direct from the public or from the central Government. Equilibrium can only be



achieved by reduction of expenditure and the adoption of measures which will lead to an increase of revenue.

I note that action has already been taken in some provinces in both these directions. Others doubtless appreciate the necessity for taking similar steps without delay. In this connection all provinces which have not yet done so might with advantage consider forthwith whether they would not be well advised to follow the example of central Government in appointing a Retrenchment Committee. It is also not clear whether sufficient attention has been given to the exploration of all possible fresh resources of provincial revenue. The high position was due to the careful management of Indian finances, and a rapid deterioration would be certain to follow if matters are allowed to drift. It is incumbent upon the local Governments and their legislatures to face the situation with courage and resource and with a fixed determination to accomplish the balancing of their budgets.

#### The Danger of Meeting Unproductive Expenditure from Loans

The considerations discussed above have also an important bearing on the capital programme of the provincial Governments. I share your view that the financing in full of all the provincial programmes of capital expenditure, together with your own heavy capital requirements, is likely at the best to place an unduly heavy strain on the loanable resources of India even when supplemented by borrowings in the United Kingdom. The danger of this is seriously increased if, in addition to borrowing for productive purposes, the provinces have to rely on loans for meeting expenditure which should properly be met from revenue. When the provincial legislatures realise that failure to secure budget equilibrium cannot but handicap all schemes for social progress and for the development of provincial resources, I feel assured that they will support the executive Government in the adoption of the necessary measures for remedying the existing position.

I cannot close this despatch without an expression of regret that the new provincial Councils should, like the Legislative Assembly, have found themselves, so early in their history, confronted with a financial situation of such difficulty. The task of ordering its finances is a primary function of Government, and I am confident that the heavy burden of responsibilities placed on the provinces will be firmly shouldered.

I approve your proposal to publish your despatch and this reply.

I have the honour to be,

My Lord,

Your Lordship's most obdt. & humble Servant,

PEEL



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